V.b/124
287

Geol 38-17 (1-2)
Geol 58-21 (1-2)
App. F. IX-4
Geol 26-22 (1-3)

Previous References
Geol 66-20 (3 8)
Geol 66-20 (1-2)
Geol 38.73-1)

Later References
Geol 87-351 (1-2)
Geol. 388-37-(1-2)
Geol 30-39 (1-5).

1933.4
(Geol)

File No. 48-33
Serial Nos. 1-50

P

(259

GENERAL AND REVENUE SECRETARIAT

Serial Nos. Jeffs

Part B for April 36

SUBJECT.

Grant of a special prospecting license for gold and silver to the Indian mines Development Syndicate Ltd

B 6298 of 20-4-36

To Messrs King & Partridge
Solicitors. madras.

Sirs, I am directed to inform you that Government approve of the final draft of the special prospecting license

Yrs

Serial No.	
	Mining in New areas
1	D.O.Letter dated 31st January 1934 from Mr.Kenneth Taylor, regarding the terms for mining in new areas
2	D O reply No.2210 dated 7th February 1934 stating that this important question will be considered after the renewal of the present leases is finally settled.

16 FEB 1934 No. 5279

If approved, a copy of Mr.Taylor's letter will be sent to (i)the Director of Geology and (ii)the Chief Inspector of Mines, for ~~favour of~~ opinion regarding the terms proposed and for noting other terms or conditions, if any, to be suggested by us.

Dewan

2 Yes - 15/2

3 Put 16-2-34

4 18/2 (Mr) For perusal - Further action may be taken in the Development Branch -

5 Put 18/2.

6 19.2.34.

FINANCIAL BRANCH 1 FEB. 1934 2643 GENL & REV. SECTN.

6402

Dewan for orders

3012

Submit with a draft for the file Geology-30 re. proceedings of the meeting with the mining Representatives is also put up for perusal

TYPING SECTION 14 FEB 1934 GENL & REV

22/2

DIE—Contn. Sheet

WD 2165—GPB—500—27-5-32

DEWAN'S MINUTE.

FILE No. 193 5735

Prashad's license for Gold mining.

It may be worth while to ascertain the opinion of the Messrs Taylor & Sons on the terms proposed by them.

I do not think we need consider the offer of Mr. Mir Ahmad or any one else.

M.J.
4-6-35.

First Member sir.

Complaints —
Camp Bhadrawah)

for decision with compliments —

Orders regarding by letter? urgent 5/6

MW. 6-6

Dep. Sec. 6-6

REV. SECRETARIAT
6 JUNE 1935
DEVELOPMENT BRANCH

Submd. the main file (4607) has been submitted with a Dept-letter, perhaps to the Dewan Sahib today, terms may be submitted to him in continuation

6/6/35

Dep. Secy. 6/6/35

The Dewan's wishes

This may be incorporated in the notes of the main file.

MW. 9.6

3957 3

3105-3907

Terms for Gold Mining in New areas

(2)

General and Revenue Secretariat — File No. 48 of 1933. [App. F. III—2

Serial No. 3.

To The Chief Inspector of Mines
The Director of Geology
No. D. 4202-3 & 24.2.34
Calls for opinion on the terms offered by Mr. Kenneth Taylor for gold mining in New area
from me on yr. No 8083-2 dated 6.12.33
Submits a report called for
Submd. A report from Dir. of Geology has not been received
Draft reminder to the Chief Inspector of Mines put up.

Sgd. CB
11/4/34

10 June
CJO
11/4

Reminder issued No. D. 4914 & 13.4.34

Gen B for 15 days
Sgd
24/2/34 4

DEVELOPMENT BRANCH

TYPING SECTION
3-40 P.M.
12 APR. 1934

Gen B for
C Weed
Sgd
18/4/34

GEN. & REV. SECRETARIAT
19 APR. 1934
DEVELOPMENT BRANCH

NOTE—Contn. Sheet.

WD 0434—GPB—15,000—12-10-33

Serial No.

11

In the accompanying letter Mr Ryle says that if just will decide as to whether a base royalty will be required or not & at what rate, it would enable Messrs John Taylor & Co to commence with proposals for the prospecting of certain areas for gold.

Sd
2/4/34

Secretary

12

I feel that in regard to the new prospecting leases in which we insist upon a basic royalty of 4% we can ask for a fair share of the "net profits". The lease being for a term of 50 years, or 20 after the outside. They may be put forward as provisional proposals for them to fix upon - if the Finl Member agrees.

Sd
3-4-34

F. Secy)
P.S. M)

13

Sd
3/4/34.

14 a draft in the lines of the discussion existing is submitted

Secretary

Sd
6/4

15

Sd
6/4

16

The Director

Sd
6/4

Sd
9.4.34

6/4

Mines John Taylor & Sons' Committee
DEPARTMENT
6 APR. 1934
No. 6845

OFFICE OF THE FIRST MEMBER OF COUNCIL
4 APR. 1934
No. 7837

DEVELOPMENT BRANCH
3326
3951

NOTE—Contn. Sheet

WD 02553—50,000—GDI

595

File No. „ of 193 . | General and Revenue Secretariat

Issued no 4856 dated 6/4/34 : 6
D. Does may now be sent back to the Secl Br.

Sd CB To the Secl Br W.C. 18

MK

6/4/34
13

91

Serial No.

Letter dated 28/5/34 from Messrs Gwilym Taylor & Sons, London

Enquiries are in progress called for in letter No. J 6896/Geol 48-33-6 dated 12/4/34 re. the issue of mining leases for the opening of new gold mines in the State.

19 Orders on the P.W.D

"Immediate. Please have three copies made at once."

Sent M.V. 5/6/34

20 Sent with three copies of letter.

"A" Copies put on one file

The main file (395-7) was returned to the Geol Branch on 14/6/34 after the issue of letter No. J 6896 referred to in the P.W.D.

3907 put-up in one file

21 Another file Geol 48-33 relating to gold mining in new areas is put-up: The opinion of Geol has been sought in the matter. A report from the Chief Inspector of mines & Explosives is still awaited

5/6/34 Dev. Secy) 22 Dec 5/6/34

Give copy to Minister for Mines after Cabinet

Put up 16/6/34

"T SECRETARY" 6. JUN. 1934 6619

NOTE—Contn. Sheet.

WD 01536—GPB—7,500—5-4-34

Put up 7.6.34 Dev. Secy

File No. 4192/71 of 193 .

3105 3957 4795

General and Revenue Secretariat

To 25/ Dev Br with compliments

A copy of letter dated 25-/5734 from Messrs John Taylor & Sons put up may be kindly taken & the file returned at an early date

Cyclostyled 9/6/34. H.P. 7.6.1934

25- Copy taken and file returned. The file has to be dealt with by the Development Branch in the first instance.

GEN. & R. DEVELOPMENT BRANCH

1 8.6.34 To Dev. Br. w.c.

Ihw 8/6.

Dealt with reference to para 23 above. One copy was submitted which was sent to the Ir. Member, who has been requested to return the same to this Branch with the orders thereon it may be worked up early. Another copy was sent to the Dev Branch as seen above.

It is ascertained from the Dev Branch that this has to be dealt with in their branch. (vide para 25 above)

Cyclostyled 9/6/34 Kind reference is invited to the Secretary's minute dated 3/4/34 (Para 12) above.

Gold Mining Leases for new areas

General and Revenue Secretariat | File No. | of 193

Serial No.

From
John Taylor & Sons. Letter dated 25.5.34

Forwards proposals as a basis for agreement for deciding mining leases for new areas in the State and state that if the terms are acceptable they would send out Mr R. Nye to India in July for arriving at a final understanding.

memo re orders
Dev. Secy Early Lease
(Ind) Kw. 8/6.

19 This letter of John Taylor & Sons is in reply to our letter dated 12.4.34
The Company's proposals re the Royalty for new years as set out clearly in the Memorandum (Encl 6 Part) Flag G
~~The Scale proposed~~
The scale offered does not correspond to either of the two alternatives outlined in our letter of the 12th April or the scale proposed in the enclosure to the Director's letter
Flag G
Besides the terms re Royalty, the Company wants
(a) The sole monopoly for prospecting for gold all over the State for a period of three years with a right to a lease or leases on the agreed terms of Royalty over the areas selected during the period
(b) That the minimum of lease period be 30 years
If the Conditions are ~~note~~ acceptable the Company desires acceptance being Communicated by Cable as a basis for Contract
Subs for orders

K.P.
9.6.34

Dev. Secy)

22 Dec
11/6/34

NOTE—Contn. Sheet.
10 JUN. 1934
4872

WD 70—GBPM—60,000—13-8-31

23 Five points have to be settled now. They are

1. Period
2. Basic Royalty
3. Scale of Govt's participation in profits
4. Basis for the above sliding scale
5. Determination of profits.

24 In regard to period the firm wants a period of 30 years against 15 offered by Govt. In the Dewan's memo, a period of 20 years had been mentioned as the Maximum ~~agreed~~ this may be adhered to as they will be practically given the ~~non~~ monopoly. Three years after for prospecting seems fair.

25 The Director of Geology had given good reasons for having a basic royalty and Messrs John Taylor seem have also included it in their latest proposals but only for five years. It may be adopted for the full period and in view the risks they undertake Kept at 2 1/2%. of the gross revenue.

26 Then in regard to the scale of Govts participation in the profits, the firm wants that the percentage should be kept low during the stage when profits are low in order to attract capital for an enterprise where there have many failures before.

Serial No.

This has to be conceded and then the question arises as to what is the return which will be considered satisfactory and calculated to induce investors to take the risk. With the general rate of interest as low, perhaps 10% would be considered fair. Then if Government agree not to take anything beyond the basic royalty of 2½% until the shareholders get 10% dividend or any year not cumulative the company ought have no grievance.

27 The Directors letter shows that the South African system is in spite of changes comfortable and based largely on local conditions and customs. In any case it seems to have the defect of not taking into consideration all the factors viz cost of winning, richness of the ore and the price of gold. The Nyasa system seems really better.

28 The later suggestion of Messrs John Taylor and Sons may work out alright until the sterling is divorced from gold but with sterling the trend will be to bring them nearer to the gold basis, an ounce of gold is about £3-17-6 and naturally the profits per ounce will be very low.

29 I feel that it would be best to stick to the Revised Nyasa System with

NOTE—Contn. Sheet.

4795

(1)

File No. of 193 | General and Revenue Secretariat

The main safeguard is that the basic royalty will be 2 1/2 %. and that Govt will not share in the profits until ~~a dividend of 10%~~ the adjusted profits enable a dividend of 10% being given. After this stage is reached any further profit should be utilised to bring up the basic royalty to 5 %.

~~If~~ with a dividend of 15% and above the additional royalty may be on the same sliding scale as in the new Contract

Rate of dividend	Royalty percent
15	5
25	7.1/2

and so on.

First Member
Thro Fin. Secy

15.6.81.

P. J. O

Fe 3494
15/6/81.

Mining in new areas.

31 In our last communication to Mr. Ralph Nye, we said we were agreeable to a scale based on (1) net profits only or (2) 2½% Basic Royalty and additional royalty in the form of percentage on net profits. In the former case we stated that the minimum in the sliding scale should be about 15 per cent of the net profits.

32 The Company think that 15% of net profits is too high for a minimum and propose ~~to~~ pay royalty in any year in which dividend is paid ranging between 10 to 20 per cent of the profits, the percentage being based on the net profit per ounce of Gold, subject to a minimum amount, during the first five years of working, equivalent to 2½% on the net proceeds of all gold sales, the profit being arrived at after adding to the working expenses 15% thereof on account of provision for Depreciation and Capital expenditure.

33 Their formula is unsatisfactory in several respects and gives a scale which is too low in regard to the minimum and maximum and stages of increase and which even under the conditions prevailing in the Kolar Mines during the last 5 years would not give us more than the minimum viz., 10% of the net profits ~~for any year~~ except ~~in for Dividends~~ in the years 1932 and 1933 when the price of Gold was unusually high. As the working result of the new mines cannot be expected to be better than that of the present mines, the so-called sliding scale given by them will never give us anything more than the minimum and the higher stages will thus at best only a trifle more

Even the maximum is too low, only 20 %...

thus be practically ~~%~~ inoperative. The scale will have to be revised considerably if it is to be made a reasonably working scale.

34 4 The Company's proposals are examined in detail below:-

(1) They propose 2½% on gross yield as minimum for the first five years when dividend is declared. Whether this is to be paid only if a dividend is declared is not clear. We must make it payable under any circumstances. This is suggested by the Director of Geology and the Development Secretary also.

(2) What minimum they propose for the period subsequent to 5 years is not mentioned. This must be specified.

(3) According to them, 2½% minimum is a substitute for the royalty based on net profits. It should be made in addition to it.

(4) There were special reasons for adding an arbitrary 15% to the working expenses for the present mines in arriving at the scheme of participation of profits -- as there was need to provide for depreciation on new capital expenditure and expenditure on development etc. In the case of a new Mine, these are not necessary and ordinary working expenditure itself will be very high and a further 15% on it will bring the net earnings to vanishing point and there is Capital raised which is available for expenditure. This must be omitted altogether.

(5) The ~~prx~~ period of lease may be

may be allowed to remain at 30 years as suggested by them if they agree to satisfactory terms of royalty. Otherwise it may remain at 15 or 20 years.

(6) Whether the sliding scale on net profit should be based on

(a) total net profit as suggested by the Director,

or (b) % of net profit xxxxxxxxxxxxxxxxxxxxxx to gross yield as per South African method

or (c) % of net profit to quantity of Gold produced as suggested by the Mines and what the minimum and maximum and rate of progression should be have to be considered.

5 35 Each one of these methods has its own advantages and disadvantages. They are all new to us and do not take into account the Capital invested, and the dividend thereon and the % of net profit to be taken by Government cannot entirely ignore the reasonable amount to be left out of it to the shareholders (i.e. Capital). This factor is taken into account in our Kolar leases which take rate of dividend into account. How they will work in actual practice is a matter of conjecture.

6 36 Scale as per method (a) will be arbitrary, (b) has the merit of being in South Africa but is new to us and (c) is similar to (b). But the scale they propose is far lower than the South African scales.

7 37 Taking into account, 2½% basic royalty and the Transval sliding scale based on the % of net profits to gross yield, I have worked

worked out what the corresponding scale according to their formula of % of net profits to quantity of gold should be and have noted it in Statement'A' . The amount payable to us according to this statement is the same as the amount paid in South Africa for new Mines and cannot be regarded as high or unreasonable. It is obvious from it that Messrs John Taylor and Sons have sent us a scale which is unduly low and which requires to be enhanced considerably to correspond with South African Scales-

38 8 There are some other scales in other States in South Africa. These may also be considered -- particularly the following:-

New State Areas	Y = 80-750/X
Brakpan M.	Y = 50 - 1150/X (minimum 12.5%)

Y is % of Government share of profit

X is the ratio of profit to recovery(Gross Rev.)

39 9 Whatever we allow may be for 5 years. Thereafter things will have to come to a standard and the new Kolar Lease terms may be applied.

An alternative is that for the first five years 3/5ths of the Kolar Mines new scale (both basic and supplemental royalty) may be applied and thereafter full rates.

40 10 As regards the period of prospecting, terms of prospecting, rents, cesses and other taxes payable in addition to royalty, security to be furnished for the proper fulfilment of contract etc., the provisions in the general Prospecting and Mining Lease Rules have to be followed. The Chief Inspector of Mines and the Director of Geology will have to be consulted on these points.

OFFICE OF THE
FIRST MEMBER OF COUNCIL
17 JUNE 1934
No. 9815

41 We have now to inform them that the scale proposed by them is far too low when compared with the South African Transval scales and requires considerable revision to be raised to that level and to be acceptable to us.

1st Mr & Dewan

Mr 17/6.

42 this may, if the Dewan approves, be tacked over in Council - I think it is not very desirable to link the formula for the Jos' claim (the present for mining output. It seems more reasonable to link it to the net profits on the capital outlay.

Dewan)

by 17/6 Mr

To Sir, 17/6

43 Seen. may be discussed at a meeting of C's

SJO 18/6

44 "your letter 25 May about leases for new gold mines. It would facilitate any decision if you send in your application."

A cable as above might be sent to Dewan Talma & Sons

by 18/6

(Terms proposed not acceptable)

45 Mr 18/6

SK 9

Cable issued from Campbell's V 18/6

Mr 18/6

Statement A.

Profit payable to Government.

17

Net profit per Ounce of Gold.	Percentage of Net Profits payable to Government.		
	As proposed by the Mines. (Inclusive of Basic royalty)	As suggested by the Financial Secretary on the basis of the Transvaal Scale. (Inclusive of basic royalty)	(Exclusive of basic royalty at 2½% on the Gross Yield)
Up to 24 Shillings.	10	15	--
25 Shillings.	10	20	10
30 Shillings	10	26¼	17½
35 ,,	11	32½	25
40 ,,	12	37½	31¼
45 ,,	13	42 ½	36¼
50 ,,	14	45	40
55 ,,	15	47½	43¾
60 ,,	16	50	46¼
65 ,,	17		
70 ,,	18		
75 ,,	19		
Over 75 ,,	20		

Note. For intermediate stage also, the scale will be progressive.

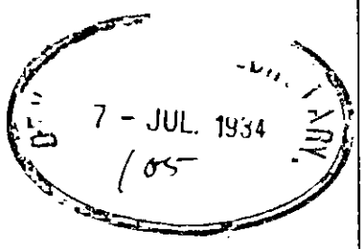
17/6

Profits payable to Government

Profits expressed as a percentage of Revenue (i.e. Grossyield)	Net profit per ounce of Standrad price 85s (corresponding figures (1) & (2))	Net profit per ounce of Gold at Present price 138 s	Percentage of profit payable to Govt as per Transval Mining Laws (other than highest profit got as in previous columns 1 & 3)	%-of-Net-profit equal to-Percentage proposed by the Mines (now) Taking Gold price at 85 s	138 s	Basic Royalty 4 (minus) 7 (Sliding Scale)	Column 8
1	2	3		5	6	7	8
%	S	S	S	%	%	%	%
10 or under	8½	13¾	Nil	10	10	25	Nil
12 ,,	10	16½	2.6	10	10	20¾	Nil
15 ,,	12¾	20¾	6.4	10	10	16 2/3	Nil
20 ,,	17	27½	12.9	10	10	12½	Nil
25 ,,	21¼ 25	34½	19.3	10	11	10	9.3
30 ,,	25½	41¼	25.7	10	13	8 1/3	17.4
35 ,,	29¾ 35	48¼	32.2	10	14	7 1/7	25
40 ,,	34 40	55	37.5	11	15	6¼	31.25
45 ,,	38¼ 45	62	41.7	12	17	5 5/9	36
50 ,,	42½ 50	69	45.0	13	18	5	40
55 ,,	46¾ 55	76	47.7	14	20	4 6/11	43
60 per cent or over	51 60	82¾	50.0	15	20	4 1/6 & less	46 & more

P. C. 2]

Stores ~~Purchase Committee~~ — ~~Indent~~ No. 193 —193



10. From Messrs Golin Taylor & Sons, London
Letter dated 21/6/34

Acknowledges the receipt of Cablegram dated 18/6/34 (See para 46 above)
46 Submd with reference to the Members minute dated 18/6/34 (Para 46 above)

47 Messrs Golin Taylor & Sons want to have the views of Govt on the terms proposed by them, re. new manufacturers.

48 Dep Secy 7/7/34
Govt KP Dep. Secy)
7/7/34

49
They practically want the Govts consent after the commutation when. The question cannot be settled by correspondence and it is desirable to await personal discussion.

H. Secy
HW. 9.7.34.

50

51
Draft reply for consideration
HW. 11/7.

52
Submd with a draft for consideration

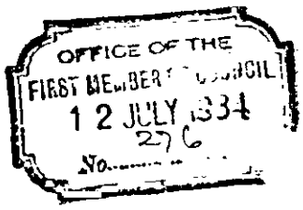
53 Dep Secy 11/7/34
Govt Dep. Secy)
11/7

54 Typed draft
HW 11/7.

First Member
HW. 11/7.

55

H 76/10-7-34



Note —Contn. sheet

WD 02230—GPB—2000—2,9-34

This reply is vague — I think Head of Section should write direct to Messrs Golin Taylor & Sons

General and Revenue Secretariat | File No. 48 of 1937 | [App. F. III—2

Serial No. 56

Mr Dewan said that it is desirable to have Sir John Taylor's opinion and indications of services. What the Chief Inspector's remarks are for his comments. Please do so (by next week)

by
27/7/34

Draft urgent — S-7

27.7.34.
dcg

S-8

Send with a draft for approval.

Work and how have to be done.

28/7

Dew. Secy.) S-9 dcg 28/7/34

Draft approved may issue

dcg
28/7/34

To The Chief Inspector of Mines & Explosives
No D 654 dated 28/7/34.

Requests him to meet the 1st member of Council at 3 P.M. on Monday, the 30th or on Tuesday, the 31st July 1934

P.T.O.

OFFICE OF THE ...NCIL
FIRST ME...
27 JULY 1934
No. 618

SECRETARY
28 JUL. 1934
588

a member has asked that the Chief Inspector may be asked to come to Monday the 30th or Tuesday 31st July 1934 at 3 P.M.

TYPING SECTION
28 JUL. 1934
GENL. & REV. SECTT.

NOTE—Contn. Sheet.

WD 0434—GPB—15,000—12-10-33

MINING IN NEW AREAS.

61 2/6

The question of the terms on which leases for Mining in new areas may be granted was discussed by the Dewan and Members of Council on 31-7-1934 when the Chief Inspector of Mines, the Development Secretary and the Financial Secretary were present. The following decisions were arrived at:-

(1). The period ~~of~~ for prospecting may be fixed at three years and thereafter it would ~~x~~ lapse if it did not materialise in Mining leases.

(2) The period of lease may be fixed at twenty years.

(3) The participation of profits on the basis of the net profit per ounce of gold suggested by the Mining Authorities may be considered; but the scale suggested by them is very low and requires improvement in the following directions:-

(a) The minimum percentage receivable by Government should be at least 15 % and not 10% as proposed by them and should be payable when the profit per Oz. of gold is 20 Sh. or less. as against 30 suggested by the

(b) The scale should rise rapidly thereafter so that we may get a good rate when the net profit per Oz. of gold is 35 Sh. ~~It is~~ The rates in these lower stages ~~which~~ are more important. and the increments suggested by them in a chequer

(c) 20 % suggested by them as the maximum share of profits is too low. It should be 50 %.

(d) The addition of 15 % to working expenses towards depreciation and capital expenditure ~~while~~ for arriving at the Adjusted profits should not be agreed to.

(e) A Scale may be put up on these lines.

(f) Provision should be made for the employment of some of our men ~~to~~ in suitable responsible places in the Mines.

P.T.O.

4192
Je

24

4 A scale is accordingly suggested for consideration (vide Statement A).

5 I would also suggest the addition therein of a minimum of 2½ % Basic Royalty suggested by them. 5 Another alternative suggestion that I would make is that our share of profits may be half of the scale fixed for the new leases of the Kolar Mines during the first five years, three-fourths of the said scale during the next five years, and thereafter the full scale. This has the advantage of ensuring to us automatically 2½% as Basic royalty.

6 A statement (B) is put up showing the amount of net profit per ounce of gold in the several Kolar Mines during the last 6 years. From this ~~table Swamy's to judge~~ it is to be seen that ~~the~~ the scale proposed by them is inadequate.

DEVELOPMENT SECTION
888
9 AUG 1934

M/ 8-8-34 (Sh M. Dewan & 2 others)
(Mr. Dewan)

Jas
11.8.34.

6a This was discussed by the Dewan with Mr Green the 1st Member on the method of determining royalty & profit per ounce of gold mined. It was considered that the royalty may be expressed as a percentage of net profits: a minimum must be allotted as per terms of the contract (fully paid up). To be further discussed with Mr Wyse next week

OFFICE OF THE FIRST MEMBER
15 JULY 1934
No. 1241

OFFICE OF THE SECOND MEMBER OF COUNCIL.
17 AUG. 1934
No.

6b 2nd MW

Seen 64 SPV 16/8/34

16/8/34

20/8/34

Statement A.

When the net profit per Ounce of gold is	Government's participation in the profits to be
Shillings	Per Cent.
Up to and including	
20	15
21	16½
22	18
23	19½
24	21
25	22½
26	24
27	25½
28	27
29	28½
30	30
31	31
32	32
33	33
34	34
35	35
36	36
37	37
38	38
39	39
40	40
41	40½
42	41
43	41½
44	42
45	42½
46	43
47	43½
48	44
49	44½
50	45
51	45½
52	46
53	46½
54	47
55	47½
56	48
57	48½
58	49
59	49½
60 & above	50

Note.- 'Net profits' should be as defined in Schedule A of the general Mining lease rules, i.e., "Net profits" shall be taken to mean ~~to~~ the excess of the revenue which is wholly derived from the sale of the mineral or minerals specified over expenditure after all costs and expenses chargeable to the actual working and management of the mine shall have been included. But neither depreciation nor amortization, nor Director's fees, nor any revenue or expenditure obtained or incurred on account of share or capital transactions, or by trading shall be brought into account, provided that the fees of such Director, or Directors, as may actually direct technical operations and are specifically denoted as Managing Director, or Directors, may be included in the expenditure.

Statement. B.

Statement showing the amount of Net Profit per ounce of Gold in the Kolar Mines.

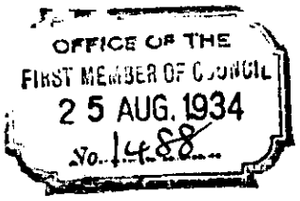
In Shillings.

	1928	1929	1930	1931	1932	1933
Mysore Mine.	28	22	22	18	31	46
Champion Reef Mine.	9	11	10	17	32	38
Oorgaum Mine.	22	16	4	12	12	14
Nundydroog Mine.	19	26	23	25	53	68

Serial No.

65 Resubmitted to the First Member, as personally instructed.

The results of working of the present Kolar Mines, showing their gross and net profits, the amount of Royalty paid to Government under the existing leases, the amount of Royalty payable according to the formulae fixed for the new leases and the amount payable according to the formulae now suggested by the Mining authorities for Mining in new areas are noted in the annexed register(Flags A to D).



(Sd. M.V.)

25/8

66 Sem. I should like to have this on Monday 27th when Mr Nye comes again

(Sd. M.V.)

25/8/34

Mr Nye

WD 2165—GPB—500—27-5-32

MINING IN NEW AREAS.

The terms on which leases for Mining in new areas may be granted ~~was~~ were further discussed with Mr. Nye by the Dewan and Members of Council on the 29th August 1934, when the Financial ~~Secretary~~ and Development Secretary were present.

The following are the provisional conclusions arrived at the meeting:--

(1) In regard to the period of lease the Dewan observed that twenty years would be the maximum that could be allowed, but Mr. Nye felt that it was too short to attract capital and investors would consider a longer period more important than even for a high rate of profits and in this view he wanted a thirty year lease.

(2) Various methods of assessing the royalty were discussed and finally it was agreed that a small basic royalty would have certain advantages especially from the point of view of the public in the State and may be adopted. Two and a half per cent of the gross value of the gold produced was considered ~~fair~~ reasonable.

As regards participation in the profits, two alternatives were adopted for further examination.

(a) Government should get a share of the total net profits (i.e., adjusted profits) which should depend upon the average dividend declared during the previous ~~last~~ 5 years. This would mean that during the first 5 years Government ~~should~~ would not share in the profits. Thereafter their share would be determined according to a scale on the average dividend of the last quinquennium. This ~~would~~ rate would automatically change every 5 years. It was ~~argued~~ agreed that Government would

not participate in the profits unless a dividend of 10 per cent was declared. ~~The scale of participation~~ Mr Nye then suggested a scale. ~~The following scale was suggested for consideration:--~~ which might somewhat on the following lines

Average dividend declared during the last 5 year period.	Government's share of net adjusted profits.
1 to 10 %	Nil
11 to 15	2%
16 to 20	4%
21 to 25	6%

and so on. The scale should be made to work up as to a royalty of 40 per cent when the dividend is 100 per cent.

Note:-- The scale of increments if uniformly continued will reach only 36 per cent when the dividend is 100 per cent.

The merits of this scheme were discussed and they are--

1. Government were assured of a basic royalty under any circumstances.

2. Shareholders would ~~have the attraction that~~ be attracted because the basic royalty was low and ~~that~~ Government would not participate in the profits until the shareholders were assured of a reasonable profit.

The ~~advantages were that~~ disadvantages are (1) the additional royalty was linked to the dividend of a previous period and that even with an increased participating share, the net profits in the next quinquennium might, for some reason or other, be small. (2) The scheme would not get over the difficulties incidental to the definition of Net profit and the dividend being less than what the profits permitted. (3) Should this scheme be adopted, Mr. Nye wanted that the period of lease may be 30

years as there would be a periodical review every 5 years.

(b) Another ~~The~~ alternative considered was that ~~the~~ Government might ~~should~~ be given a number of bonus shares in the new companies in addition to a basic royalty of 2½ per cent. This scheme would get over most of the difficulties if a reasonable percentage of shares was given to Government. Ten per cent of the shares was suggested but it was felt that this was too low.

It was decided that the question should be re-examined and ~~the details of~~ percentages may be worked up in the case of ~~the~~ both the alternatives

Mr. Nye enquired whether any leases for Gold were current now in the State except that of Haji Sir Ismail Sait. It was promised that enquiries would be made and information furnished.

Journey in New Area 29

General and Revenue Secretariat — File No. 48 of 1933 — [App. F. III—2

Serial No.

1 — To Ralph Wyllys Esq. Coorg
No. W1698. dy 6/9/34

67 D.S.N. mbd

No 69

Dewan's 68

Mw. 6.9.34.

69 Jm 6-9-34

(L)

DEWAN'S OFFICE
6 SEPT. 1934
No. 1986.

NOTE—Contn. Sheet.

WD 01955—GPB—22,500—12-6-34

Submitted to His Highness.

70 During the discussion with Mr. Kenneth B. Taylor regarding the renewal of the leases of the Kolar Gold Mines, it was understood that Messrs John Taylor and Sons' Committee were anxious to obtain a prospecting license for gold throughout the State with a view to obtain leases and work the mines wherever they found a workable deposit. The existing prices for gold made them feel that some of the occurrences might be worked profitably. The Members of Council and I thought that this question might be taken up after the terms of the renewal of the existing Kolar Gold Field leases were finally settled.

H 71 The question was again raised by Mr. Nye just before he left India in March 1934 and he was informed that Government were prepared to consider an arrangement based upon a fixed royalty on adjusted profits, without a basic royalty and invited specific proposals. A proposal was put forward by Messrs John Taylor and Sons providing for Government's participation in profits based on the profits realised per ounce of gold. The terms were not found acceptable and the Committee were informed that it would facilitate early decision if they sent Mr. Nye out to India as suggested by them.

72 The question has been discussed with Mr. Nye at two meetings on 31st July and 29th August 1934 and the notes of discussions are placed in the file.

E & F

73 In regard to new leases, it has been kept in view that the royalty payable to Government, in any form, should be as low as possible until the share-holders make a reasonable profit in order to attract investors in ventures which are of a very speculative nature. After providing a reasonable dividend to the share-holders, Government should secure an increasingly large share of the surplus.

74 At the second meeting, two alternative scales were evolved after discussion and Mr. Nye was told that Government would be prepared to consider either of them if the rates met

with their approval. Mr. Nye wanted that this should be confirmed so that he might place it before Messrs John Taylor and Sons' Committee to enable them to send their offer to Government.

15 In view of the present prices of gold, an early settlement of this question is desirable and to facilitate this, I feel that we should now give a more or less definite indication of the terms which we would consider acceptable.

16 A copy of the letter addressed to Mr. Nye is submitted herewith for His Highness's gracious perusal.

Mirza M. Ismail

Bangalore,
7th September 1934

DEWAN.

Record of Cases submitted for the Orders of His Highness the Maharaja.

M

C Secy M
11-9-34

R.2
11/9/34
130

Subject.

Terms for the grant of gold mining leases in new areas.

Order.

KRW
10/9/34

General and Revenue
Secretariat

WS

~~135~~ 32

Terms for the grant of gold mining leases in new areas.

(*)

31. All urgent or confidential files returned with His Highness' orders may in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at Head-quarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before/after issue of orders. (*Vide Rules* 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

R. Rangachari

Chief Secretary to Government.

Through the Secretary to Government,

Dev. Dept. Department.

MW. 13.9.34.

78 2022 13/9

FIRST MEMBER OF COUNCIL. 13/9

79 1962 13/9.

SECOND MEMBER OF COUNCIL.

Gen A 17.9.34

NOTE.—Contin. sheet.

DEVELOPMENT BRANCH

Dev Br

80 Dev. Secy. with Compts

1/10/2 - 13/9

81 MW. 15.9.34. dcg

RB 14/9/34

REPLY

(*To be written on this margin.*)

OFFICE OF THE
FIRST MEMBER OF COUNCIL.

NOTE.

Dated 1/4/ 193 5.

34

82

I am entirely to
appeal applies
from John Taylor &
Sons for prospecting
licences, for the
Peninsula the Dewan
be

83 MR
1-4-35.

Papers with compts

Enq

be
2/4

MW.
dcg

SEC. SECRETARIAT
2 APR. 1935
DEVELOPMENT BRANCH.

Serial No.

16 + 17 Letter dated 27/3/35 from Messrs John Taylor & Sons offering certain terms for ~~Secessy~~ gold mining in new areas.

84 Orders on the P.A.D.

" To be acknowledged

" To be worked up immediately and submit to-morrow with a complete comparative statement."

Sd. H.V. 1/4/35

O.C.S. 1/4/35

-96-

Submitted with a draft acknowledging for approval. Issue

Sd. [illegible] dcg 2/4/35

1/4/35

18 Messrs John Taylor & Sons, London. D. 6383 & 3-4-30.

Acknowledges the receipt of two letters & States that the matter is receiving the attention of Govt

Sd. Rec'd with reference to para 85 above.

Two alternative schemes A & B were offered to Messrs. John Taylor & Sons for gold mining in new areas in the State

Sd. P.A.D. The company have now submitted for the consideration of Govt their proposals for gold mining in new areas

Their letter contains the following proposals :—

1 Prospecting & Formation of a Mining Finance Syndicate.

NOTE—Contn. Sheet.

Serial No.

Company with available funds of £ 250,000/- (a large part of which will be allotted to exploration and prospecting work in Mysore) the remainder being reserved for other mining enterprises in southern India in which the Co. will be interested.

(b) Grant of a special prospecting license for gold and silver to the above company. (Such license to be issued, in the first instance, to the Indian Mines Development Syndicate, Ltd., with power to assign to the Mining Finance Co. as soon as the latter is constituted within six months from the date of the grant).

(c) No license to cover the whole State other than the area leased to the Kolar gold mining companies, and for a period of 3 years from the date of the assignment to the Mining Finance company,

(d) The Mining Finance Co. to commence taking first the more promising prospects & gradually proceeding with the others. But in the event of any areas which are found to be unfavourable may be permitted to be released forthwith without waiting for the termination of the license,

(e) During the period of the license, the company to pay a royalty at the rate of 2½% of the sale value of gold or silver to be received, to be paid

NOTE—Contn. Sheet.

(11) Mining leases.

(a) Constitution of separate working mining companies ~~after a suitable system is framed~~, for gold ~~gold~~ mining in suitable areas where prospecting work has proved to be successful. Such mining Cos. will have their own independent capital structures & be responsible for the further working of the mine or mines, -

(b) grant of a lease or leases to any ~~them~~ mining Co. that may be formed by the Mining Finance Company.

(c) the lease to be in accordance with Govt's. standing form adjusted in detail according as circumstances of the time may dictate

(d) the period of the lease to be 30 years.

(e) Royalty - ~~the~~ the Company favour proceeding under Scheme B. (with some modifications) as proposed in this office letter dated 6/9/34

(1) Basic royalty of 2½% on the sale value of the gold & silver.

Either

Supplemental royalty - (2) Govt. is additional participation would be fully met by a 10% ~~of the~~ of the issued capital ~~of the Company~~ instead of

¶ 387

Serial No.

15% of the paid-up shares, of any company formed, together with the right to take up for cash at par 10% of any new shares which may be issued as the result of any further issue of capital of the said Company,-

Or

A free allotment of the whole of the paid up shares of a certain class (to be described) in any company formed to work the property, such shares to be collectively entitled to 10% of (a) any amount distributed in dividend & (b) any distribution of assets

Paper "U".

It is reported that Mr Valentine is acting on behalf of Gudrain Mine Development Syndicate Ltd. The file (37-93) relating to this, was submitted to the Dep Secy on 18/3/35.

100. The Company requests that any license granted to Mr Valentine or the Syndicate for prospecting work in the Shimoga Dt. may be relinquished in due Course for the purpose of including the said lands in the proposed mineral licence. This is for orders.

NOTE—Contn. Sheet.

1) Mr. Rosher
2) Mr. Narayandas Gridhardas
3) & Amir Ahmed.

1) The marginally noted gentlemen have also applied for prospecting licenses for gold. Three files (Nos 3561, 3820 & 2457) are linked herein.

2) A comparative statement showing ~~the claims offered~~

(1) the alternative terms offered by Govt to Messrs John Taylor & Sons.

& (2) the terms offered by

(a) Mr. Rosher,

(b) & Narayandas Gridhardas

(c) Messrs John Taylor & Sons,

are put up for consideration.

3) Some of the terms offered by Messrs John Taylor & Sons are opposed to the mineral concession rules.

(1) The company (for 3 years for a prospecting licence and 30 years for a mining lease. According to Rule 18 of the mineral rules, the licence has to be first granted for a year and then renewed year after year, the maximum of such renewal being 3 years. Under Rule 35, only mining lease granted under the rules will be, in the case of gold, for a period not exceeding 20 years with a right to the renewal for a further period of 20 years for the grant of licence year after year will result in additional revenue to Govt.

Period

60

Serial No.

Area.

period desired

104 The company desires to have a special prospecting licence for 3 years.

(2) Each licence According to Rule 16 "each application shall be in respect of a specified block of land not exceeding four square miles in area, which shall be, as far as possible, in the shape of a rectangle of which the length must not under ordinary circumstances exceed twice the breadth". But the licence asked for by the company spreads over the whole State, the exact areas in the State over which prospecting work is proposed to be carried on, also have to be defined & divided into different blocks each of which should be of the prescribed ~~by~~ limit and shape. ~~Each block is situated in a particular land owned by a private~~ State Applications have to be submitted for each of such blocks with prescribed particulars & fees as required under Rule 19, But the intention of the Company is to get one special license for the whole State which is opposed to rules and involves loss in revenue to Govt. In this connection kind reference is invited to the applications received from Mr. Narayanlal

NOTE—Contn. Sheet

Linked file 3561

Assignment

Surrender of [illegible] unfavourable area

Royalty

Gridblocks, each gridblock relates to one block. The applications for licence have to be addressed to the Director with particulars as mentioned in Schedule etc.

(3) Lessees, according to Rule 37, should not assign or transfer their properties & rights without the consent of Govt.

The Company's arrangement means the transfer of the licence to from the Syndicate to the new company, Mining Finance Co. At the time of taking out a lease the Mining Finance Co. proposes to transfer its rights to new companies to be formed to do mining work. This is for orders.

(4) The Company proposes that in the event of any blocks proving to be not favourable, it may be permitted to surrender such of the blocks before the expiry of the period of the licence. 4 of 3 yrs. This of difficulty may not arise if licences are granted year after year under Rule 18, because the actual work done by the company may be reviewed each year to see if it permits of the renewal of the licence.

(5) The company proposes the Scheme B with certain modifications. This is for orders:—

The Co. proposes to pay a royalty of at the rate of 2½% during the period the licence is held

Serial No.

Mr. Hallett may perhaps be consulted

10 As regards the rules for sending up applications for prospecting licenses etc. the Dir of Geol may be consulted

11 Subd for orders. A discussion with the Director of Geology and the Chief Inspector of Mines would perhaps be useful before arriving at a decision on each of the points raised

Dev. Secy) dcg 6/4/35

12 There are four applicants for prospecting licenses and Govt have now to decide among them. They are

1 Mr Rosher

2 Messrs Managem & Govindaraja

3 Mr Ameer Ahmed

4. Messrs John Taylor & Sons

13 As regards the first Mr Rosher, we have not got full particulars about his antecedents, present status and position and the prestige he commands in mining and financial circles. We do not know also how far he is serious. His application need not be considered further

14 "No 3 Mr Ameer Ahmed had, according to him, the surface rights of the Hunsur prospector but the latter did not move in the

NOTE—Contn. Sheet.

1132

File No. of 193 . General and Revenue Secretariat

matter till Messrs N Das & Co's affairs are
do not know how far he is serious or is only
out to raising the value of his property.
11th The second party Messrs N Das
Gandhar Dass are enthusiastic and
whose financial backing not
known. have had no experience in the matter
it also seems doubtful whether they
have had the assistance of real experts
in the line so far. The royalty terms
offered by them lead one to think that
they have not examined the question thoroughly.
They have now reduced the area
over which they want a license. The
only circumstance that appeals in their
case is it is an Indian Firm and
some day or other a beginning will have to
be made of Indian working the mines.
Whether it is prof. this beginning with
a subsidiary low grade proposition has
not been considered. They have not disclosed
the names of the experts or expert firms
behind them and it is altogether doubtful
whether they can work any thing profitable
to success. Personal discussion of all
details would perhaps help final decision

11/5 As agent Messrs John
Taylor & Sons, they are absolute
for finance. The bulk of the Rs 3½ loss.

Serial No.

They propose to open on the Nyasa properties. They promise to commence at once an active campaign of prospecting and investigation.

116 The terms are suitable except in regard the percentage of shares allotted the Nyasa Govt. Alternative B is suitable as long as Govt is allowed in the sharing profits as also the distribution of the assets. The only question is the rate. Govt may adhere the original 15%. and Messrs John Taylor & Sons are likely to agree

117 Greece The main question is settled. The details can be settled with their representative

for Secretary

15.6.35

OFFICE OF THE FIRST MEMBER OF COUNCIL
15 APR. 1935
No. 7477

118

Please bring up for discussion 16.6

16/6

119 I have discussed the question with the Director of Geology.

120 According the rules, each prospecting license should be for an area not exceeding 16 square miles.

121 The fees payable for all such

NOTE—Contn. Sheet.

WD 01955—GPB—22,500—12-6-34

45

are as follows

Application fee - 25 Rs for the 1st acre - 50 Rs per sq. mile
+ 5 Rs for each additional acre - 1 sq. mile
subsequent

Deposit - works - 100 x 4 -

Rent - 160 Rs for the 1st year - C.C. at the mining rate for acre : (B40 Rs per sq. mile) max. is 6400 Rs per sq. mile acre.

- Renewal for the next 320 Rs
year
thereafter - 480 Rs

Fee for subsequent sqs.

Royalty to be paid in addition on any gold or silver recovered.

(iv) The Company will probably take licenses for a few areas in the first instance and after ascertaining whether they are workable or not take up others in lieu. ~~This to~~

(v) The procedure had also to be discussed with them for the future.

HMK
11.6.35

OFFICE OF THE
FIRST MINISTER OF GOVT.
7237

(vi)

I agree with the Secy Secy that the terms proposed by the John Taylor Sons may be accepted with the modification that the share allotted to us should be 15%.

(vii) This letter refers only to the royalty

payable during the period of prospecting. But under our rules, there are certain further payments

(1) an application fee at Rs 25 for the 1st sq. mile & Rs 5 for each addl sq. mile. For an area of 29,000 sq. miles this would amount Rs 1,45,000.

(2) a deposit of Rs 400 per sq. mile

(3) Rent — a minimum of Rs ~~400~~ 40 per sq. mile during the 1st year, Rs ~~800~~ 80 per sq. mile in the 2nd year & Rs ~~1200~~ 120 during 3rd year. In a prospecting license covering the whole State the payments under (2) & (3) also would be prohibitive.

Probably the Govt thinks that all these payments are to be waived, but there is no justification for completely waiving these charges, since ~~all~~ this will attract all the applicants. I suggest that we ask them to pay

(1) an application fee of Rs 25/- for the 1st sq. mile & 2 as (instead of 5 Rs) for each addl sq. mile. i.e. about Rs 3500.

and any royalty thereafter

NOTE—Contn. Sheet.

WD 01955—GPB—22,500—12-6-34

467 Terms for the grant of 467
Gold Mining leases in New Areas

Geol File No. 48 of 1933. General and Revenue Secretariat

(2) a rent of R 1 per sq. mile for the 1st year, R 2 in the 2nd year R 3 in the 3rd year

2nd. The deposit is intended to make sure that pits & excavations are all properly filled up & fenced. This may be waived on their assurance that there will all be duly attended to.

I have suggested these very moderate terms, as terms which may be accepted without further correspondence.

by
29/4/35

Dewar

i.e. Rs 9,000 for the 1st year. The amts for the succeeding years will probably be much smaller, as the less with rapid returns are worked out.

MW 29.4.35.

by

2nd Mask circulate to Second Member & if he agrees with the views of the first Member, the proposals may be put to the Hon'ble Minister for approval.

6947
3/5.

Mg
1-5-35.

by 3/5

1st I agree with the First Member. Messrs John Taylor & Co know of these additional amounts they have to pay, they will probably apply for some specific areas

No 6423

Sd/-
3/5

MW 4.5

1st [illegible]

MW 4.5

by

487

130 Subd with a D.F.N. for typing by 8/5 MW

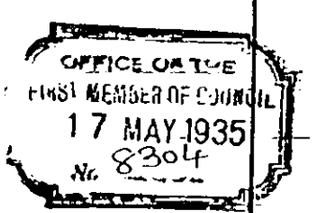
131 Type as revised. dcg 9/5/35

132 Typed Dft as revised put up MW 14/5 MW

133 for approval dcg 11/5/35

Dew. Secy)

134 Fair Typed MW. 16.5.35. dcg



135 J.N. Signed by Member. dcg 17/5

136 Subd with D.S.D Dewan. MW. 17.5. dcg

137 Mr 18-5-35

NOTE—Contn. Sheet.

Final Note by the First Member of Council.

49

Subject:—

Grant of Gold Mining Leases in new areas in the State.

136

M
8

The terms on which leases for gold mining in areas outside the Kolar Gold Field may be granted were discussed with Mr. Ralph Nye in July and August 1934 and a letter was addressed to him, with His Highness' gracious approval, on the 7th September so as to enable him to place the same before Messrs. John Taylor & Sons and send their offer to Government in due course. The following two alternative schemes (A) and (B) were put forward in that letter:-

(A) A basic royalty of 2½ per cent on the gross value of gold produced, Government's participation in profits being regulated by a scale depending upon the average dividend declared during the previous period of 5 years; or

(B) In addition to a basic royalty of 2½ per cent, Government is to be given 15 per cent of the paid up shares in the new companies to be formed with the same percentage assured to them for any subsequent additional issue of capital.

57 A reply to the above letter has been received in which Messrs. John Taylor & Sons apply for an exclusive prospecting license over the whole State on the following terms:-

Prospecting work.

(1) A Mining Finance Company to be established with a capital of £250,000 a large part of which is to be allotted to exploration and prospecting work in the Mysore State, the balance being reserved for other mining enterprises in Southern India;

(2) A special prospecting license for Gold and Silver to be granted to the above Company;

(3) The license to cover the whole State other than the area leased out to the Kolar Gold Mining Companies and to be issued for a period of three years from the date of the assignment to the Mining Finance Company;

(4) The Company to commence prospecting the more promising areas and gradually proceed with the others. But in the event of any areas being found to be unfavourable, they may be permitted to be released forthwith without waiting for the termination of the lease.

(5) During the currency of the prospecting license, the Company to pay a royalty at the rate of 2½ per cent of the sale value of Gold and Silver to be recovered.

140 Mining Leases.

(1) Separate working mining companies to be constituted with their own independent capital structures for the further working of the Gold Mine or Mines, where gold is found on a workable scale;

(2) Lease or leases to be granted by Government to any mining company that may be formed by the Mining Finance Company;

(3) The mining leases to be in accordance with Government's statutory form adjusted in detail according as circumstances at the time will dictate;

(4) The period of the mining leases to be 30 years;

(5) As regards royalty, the company favour scheme B (offered by Government) with some modifications. In addition to the basic royalty of 2½ per cent on the sale value of gold and silver recovered, they are prepared to offer (a) either a free allotment of fully paid shares amounting to 10 per cent of the issued capital of any company formed together with the right to take up for cash at par 10 per cent of any new shares which may be issued as a result of any further issue of capital of the said company or (b) a free allotment of the whole of the paid up shares of a certain class (to be described) in any company formed to work the property, such shares to be collectively entitled to 10 per cent of (i) any amount distributed in dividend and (ii) any distribution of assets.

141 There are three other applicants besides Messrs. John Taylor & Sons, namely,

(1) Mr. Rosher of London,
(2) Messrs. Narayana Das Girdhar Das of Madras, and
(3) Mr. Amir Ahmed of Shimoga.

142 As regards No.(1), full particulars are not available as his antecedents, present status and position. As regards No. (2) they seem to have a financial backing but they have had no experience in mining. In regard to No. (3), it is not known whether he is really serious about his application.

143 After a careful consideration of the matter, I have recorded the following minute:-

"I agree with the Development Secretary that the terms proposed by John Taylor & Sons may be accepted with the modification that the shares allotted to us should be 15 per cent.

144 "Their letters refer only to the royalty payable during the period of prospecting. But under our rules, there are certain further payments:-

Page 4 of Rules of Mysore

(1)

(1) An application fee at Rs.25 for the square mile and Rs.5 for each additional square mile. For an area of 29,000 square miles this would be about Rs.1,45,000;

(2) A deposit of Rs.400 per square mile;

(3) Rent.- a minimum of Rs.40 per square mile in the first year Rs.80 per square mile in the second year and Rs.120 in the third year.

For a prospecting license covering the whole State the payments under (2) and (3) also would be prohibitive.

145 "Probably the Firm think that all these payments are to be waived and only royalty to be levied, but there is no justification for completely waiving these charges, since this will shut out all other applicants. I suggest that we ask them to pay

(1) an application fee of Rs.25 for the first square mile and 2 annas (instead of Rs.5) for each additional square mile i.e., about Rs.3,500;

(2) a rent of Re. 1 per square mile for the first year, Rs.2 in the second year and Rs.3 in the third year; i.e., Rs.29,000 for the first year. The amounts for the succeeding years will probably be much smaller, as they will rapidly relinquish unwanted areas.

146 "The deposit is intended to make sure that pits and excavations are all properly filled up or fenced. This may be waived on their assurance that these will be duly attended to.

147 "I have suggested these very moderate figures as figures which may be accepted without further correspondence"

×

148 The Dewan and the Second Member of Council agree with the above recommendations and I solicit His Highness' gracious approval to the same.

Bangalore,
17th May 1935.

MEMBER OF COUNCIL.

54

Submitted to His Highness

149

I submit herewith a Final Note by the First *Member of Council on the subject of* grant of Gold Mining Leases in new areas in the State

for His Highness' gracious approval.

Mirza M. Ismail

Dewan.

18-5-35

Record of Cases submitted for the Orders of
His Highness the Maharaja.

No 591
22.5.35

150

Subject.

Grant of Gold Mining Leases in new areas in the State.

151

28-5-35

589

Order.

25/5/35

General and Revenue
Secretariat

SUBJECT:- Grant of PLO Mining leases in the New areas in the State

(*).

31. All urgent or confidential files returned with His Highness' orders may in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at Head-quarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before/~~after~~ issue of orders. (*) (*Vide Rules* 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

Chief Secretary to Government.

Through the Secretary to Government,

Rev Department.

FIRST MEMBER OF COUNCIL.

SECOND MEMBER OF COUNCIL.

NOTE.—Contn. sheet.

157 Submd with a draft: that may perhaps be sent to the Govt Sey for perusal before 576 W issue. Rey Members minute dated 29/5/35.

Dev. Secy) 158 dcg 6/6/35

19 To Messrs John Taylor & Sons. No. 120/36-35/pers dt 9/6/35 states that Govt's participation in the additional royalty will have to be 1½ d mentions the terms of prospecting license fees.

20 From Messrs John Taylor & Sons dated 9/6/35 States that they are agreeable to the Govt terms agreed to in Serial 19 above 159 Submd for perusal —

Messrs John Taylor & Sons have accepted, on behalf of the Andhra Mines Development Syndicate the terms proposed by Govt (vide letter including royalty dated 9/6/35 — (Serial 19 above).

160 A draft document embodying the terms agreed to is now to be under preparation.

230 / 12/7/35

161 An assurance of employing competent local people is also given

162 If approved, the receipt of the draft document will be awaited

Dev. Secy) 163 dcg 12/7/35

NOTE—Contn. Sheet.

11/7

164 File shown to Hon'ble Member Private Secy's comments initialled & the contents noted

165 D.S.N 19.7.35.

56

1.2

File No. of 193 General and Revenue Secretariat

16 Submits a D.S.N. for approval

Pd 16
1918 Dev. Secy

dsg 19/7/35

16 Dewan

19.7.35
dsg

15 M.I
22-7-35

395
19-7-35

DEV
22 JULY 1935
No. 511

General and Revenue Secretariat.

Geol
File No. 48 of 1933.

[App. F. III-2

20 Letter dated 28/6/35 and 11/7/35 from Messrs John Taylor & Sons re the grant of prospecting licence and mining leases for gold over areas other than K.G.F.

21 170 4 The receipt of the two letters may be acknowledged

Subd. M.V. 22/7
D.C.S. 22/7

171 Subd. The main file with a copy of letter dated 28/6/35 received by air mail, is submitted to H.M.

522
25/7/35

172 A draft acknowledging is put up for approval

Sd KD 24/7 (Dep Secy)

173 Dep Secy 24/7/35

174 MW 25.7.35.

175 Issued KD 25/7

To Messrs. John Taylor & Sons, London
No D.541 & 26-7-35.
Acknowledging Slos 20 & 21 and copies of draft document from Messrs. King & Partridge has been received and is under consideration

NOTE—Contn. Sheet.

Submitted to His Highness.

176

Page 51 of Office Notes

In continuation of my Submission Note dated 18th May 1935 submitting, for His Highness's gracious approval, the Final Note of the First Member of Council in regard to the terms on which licenses and leases for gold mining in areas outside the Kolar Gold Fields may be granted to Messrs. John Taylor & Sons, I beg to submit, for His Highness's gracious perusal. letter dated 28th June 1935 received from the Firm agreeing to the terms offered to them and promising to submit a draft document embodying the terms in due course. The Firm have also given an assurance that, in the event of mining leases being taken out, the employment of competent local people would be kept prominently before them.

Mirza M. Ismail

Bangalore,
22nd July 1935.

D E W A N.

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

177

Letter from Messrs. John Taylor & Sons agreeing to the terms offered to them in connection with leases for gold mining in areas outside the Kolar Gold Fields.

178

25-7-35

25

Order.

~~KRW~~

24/7/35

162

60

General and Revenue
Secretariat

40

179

SUBJECT:- Letter from Messrs John Taylor & Sons, agreeing to the terms offered therein in connection with leases for mining areas outside the Kolar Gold Fields.

(*)

31. All urgent or confidential files returned with His Highness' orders may in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at Head-quarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before/after issue of orders. (*) (*Vide Rules* 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

. *Chief Secretary to Government.*

Through the Secretary to Government,

.....Dev.....Department.

26.7.35.

180

579
26/7

FIRST MEMBER OF COUNCIL. by
27/7

689
26.7.

181

SECOND MEMBER OF COUNCIL.

1/07
26/7

598
27/7/35

NOTE.—Contn. sheet.

181 Dev: secy with Compliments.

1st cl
27
27.7
dey

22 From Messrs King & Partridge Madras
Dated 23/7/35

Subj for consideration of Govt the draft form of licence prepared by them on the basis of prev Correspondence.

183 Subd. Messrs King and Partridge have sent a draft form of special licence for the consideration of Govt.

184 The additions and alterations proposed therein are shewn in red ink in Form No 4 for the grant of Prospecting licence.

185 (1) Rule 19 (i) attached to Schedule C. in which the rate of royalty to be paid has been fixed at 2½% on the sale value of gold and silver together with an amount equal to 15 per cent of the amount of dividends. According to scheme B the rate of royalty is 2½%. plus 15% of the paid-up shares in the new Companies to be formed with the same percentage assured to them for any increased issue of Capital. The company have agreed to the rate per cent of Govt's participation being fixed at 15%. It is for consideration whether the additional royalty should be 15% of the amount of dividends as suggested in Schedule C of the draft form or 15% of the paid-up shares with the same percentage assured for any increased issue of Capital.

Flag E

NOTE—Contn. Sheet.

186 (1) Regarding the term of mining

6 [illegible]

fcol
File No. 48 of 193 3 .

General and Revenue Secretariat

lease the company propose a period of 30 years "with a right for the lessee to require the same to be extended for a further period of 30 years". He provides whether this right for extension may be granted, ~~declined~~, to the lessee

704
1-8-35

187 The file may perhaps be referred to the Asst. Secy (Law) for vetting.

hp 188 A draft is to Messrs King & Partridge also put up for consideration
31/7 ditto

189 Dev. Secy) dcg 31/7/35

190 / Draft submitted to Secretary for perusal

5 AUG. 1935
REV. SECTT

MW
3.8.35
dcg

To, Messrs King & Partridge, Mandras 24
No D 8.00 dated 5-8-35
Acknowledges the receipt of their letter dated 23/7/35 with the draft form of mineral prospecting license.

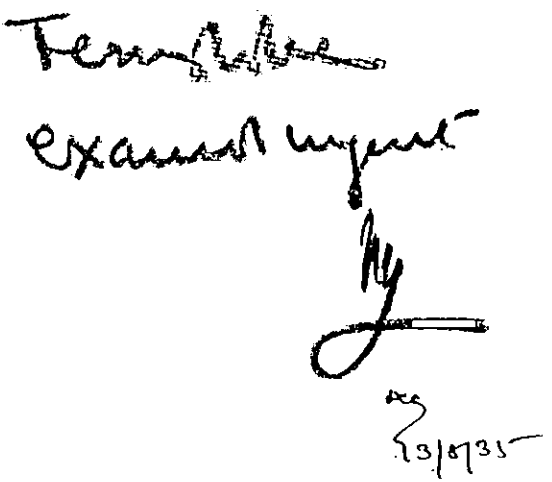
191 Returned with ref. to para 190 above.

fcp The letter has been issued. May the file now be submitted to the 2nd member?

OFFICE OF THE SECOND MEMBER OF THE
5 AUG
NO 1606
1034

dcg 5/8/35
ditto hp 5/8/35 2nd member)

193 JPZ 8/8 MW



194 The draft form of special ~~Page~~ prospecting license submitted by Messrs John Taylor & Sons through their solicitors is flagged V.

195 A copy of the terms agreed to is flagged G. A copy of the prospecting license form No 4 is flagged H. In this the alterations and additions proposed by the company are incorporated in red ink.

196 The alterations and additions made are as follows:-

(1) In the preamble, the words "delineated in the plan ---- the said area have been omitted by the company they have been exempted from the payment of a deposit amount on their assurance that pits and excavations will be filled up or fenced under the rules. This may perhaps be included in the agreement either as a condition (2) Clause 1

197 The period of the license has been changed from one year to three years This was accepted by Govt (vide serial 3 of the terms, flag G).

Instead of the words "schedule C hereto" they have introduced the words clause 2 hereof"

198 (3) New clause 2

~~-~~ is has been omitted. In

NOTE—Contn. Sheet.

6(d)

File No. of 193 .

General and Revenue Secretariat

this the rate of rent and royalty to be paid by the Company during the currency of the license are given. Theoretically they are in accordance with the terms agreed to (vide serials (5) and (7) of the terms in flag Q.) The wording of this new clause may perhaps be scrutinised in the Law Secty.

199 (4) Clause 15

The Syndicate to be authorised to transfer to a Mining Finance Co. formed within six months from the date of the grant of the license. This has been added in this clause (vide serial 2 of the terms flag Q)

200 (5) Clause 16

The words "six calendar months" have been changed to "nine calendar months".

201 (6) Clause 18

They propose to select for mining purposes during the term of the license a block of land each not exceeding 1000 yards in length by 500 yards in breadth.

nor The licensee to be entitled to the grant of a mining lease or leases either to the licensee or to a mining Co. or Cos. to be formed for the

purpose of acquiring lease or leases. This has been added. (vide Serials 8 and (9) of the terms Flag Q).

203 The terms of royalty during the period of the lease described in schedule C of the Company's draft form (Flag V) are not in accordance with those accepted by Govt (vide Serial 12 of the terms, Flag Q and this office letter dated 9/6/35 Flag K))

Flag V

The Company propose to pay, in addition to 2½% an additional royalty of 15% of the amount of all dividends etc.

204 Govt according to the terms agreed to both by the Govt and the Company the additional royalty may have to be as follows:-

Flag K
Flag X

205 — A free allotment by the Company of the whole of the paid-up shares of a certain class in any company to be formed, such shares to be collectively entitled to 15% of (a) any amount distributed in dividend and (b) any distribution of assets (Flag B. Page 6 of letter dated 24/3/35) It is for orders whether this term may be accepted instead of that proposed by the Company in their draft form

NOTE—Contn. Sheet.

66-J

354

1102 / P 30

Govt File No. 48 of 1933.

General and Revenue Secretariat

vi) The term of any lease is 30 years which is in accordance with serial (11) of the terms flag G. In addition to this, the Company want a right to apply for the extension of the lease for a further period of 30 years & it is for orders whether this assurance may be given

vii) The ~~second~~ sentence "Provided that the local area --- this proviso" has been omitted by the Company.

viii) The licensee to be empowered to relinquish any territory no longer required on giving notice to Govt, before the expiry of the period of the licence. This has been added in this clause. (vide serial (4) of the terms flag G)

ix) Other minor alterations by the company have been made. All the terms accepted by Govt have been incorporated in the draft from the differences lies only in royalty terms as indicated above. After the approval of the draft-form the Company have to make an application in accordance with serial (6) of the terms in flag G.

x) The draft-form may perhaps be ~~submitted~~ submitted to the Asst Secy (Law) for ~~verification~~ scrutiny and return.

xi) The Dir of Geol and the Govt Chemist may also be consulted in the matter

xii) Will, if approved, be referred to the Law Sectt for scrutiny of the draft

1046
17-8-35

Dy
16/8

Dep. Secy) xiii) Dy Secy 17/8/35 xiv) Law Sectt) Dy 19/8/35

41
Law.

215 If appd this will be sent to Govt. for sanctioning of the draft form of licence

TSD 11/8

216 The formula regarding additional royalty given in schedule C to the draft-licence is not the one that has been agreed upon between John Taylors & Govt: What we agreed to is an free allotment of the whole of the paid up shares of a certain class (to be described) in any Company formed to work the property which may be the subject of the lease, such shares to be collectively entitled 15% of (a) any amount distributed in dividend and of (b) any distribution of assets—

It is not clear why in the draft this has not been put in. The language of the draft used in schedule C is the same as that used in a similar connection in the new Kolar leases which admittedly does not entitle Govt to a participation of assets distributed to shareholders.

217 This point is very important and the position has to be made clear in consultation with the Solicitors.

218 In other respects the draft appears to be all right and in accordance with the agreement arrived at

NOTE—Contn. Sheet.

in the Correspondence - There is however, in cl 17 a reference to the forfeiture of a deposit, though Govt have agreed to waive such deposit on the licensee undertaking to fill up pits etc - Such an undertaking is contained in clause (6) of the licence -

As Re: The right to renewal mentioned in cl (16), since it is subject to an agreement being arrived at in the matter of rents, royalties & other conditions there appears to be no harm in agreeing to it but the even the period for which the renewal is to be made may be left for future agreement - Instead of the words "for a further period of 30 years" the words "for such period and" may be substituted -

Dev Secy) 24/8

Mr Kirby discuss this matter tomorrow.

HW 26.8.

Mr. I have put up a draft reply to the Solicitors for consideration

Dev Secy) 28/8

Mr Draft for approval

HW 28.8.

1267
2512

OFFICE OF THE
28 AUG. 1935
1574

223 Law Dept
Minutes & hang up today
by
2/9/8

Genera
S
1

[App. F. III-2

224 Submitted with a revised
draft as instructed

225 (1st member) DNP
Can you suggest an 3/9/8
alternative formula?
226 What report to
a minor point as to?
& Remember me to
31/8

227 Resubmitted with a separate
draft referring to all the points which
require modification

228 As regards suggesting an alternative
formula for additional royalty, the draft
points out what has been agreed to. It is better
we get a revised draft from the Solicitors. Personal
I think, a separate clause in the agreement
itself regarding this free allotment of shares etc
will be necessary.

1st member
thro' Dev Sec'y } DNP 3/9/35

229 [illegible] 3/9/35

NOTE—Contn. Sheet.

The Draft has to issue
from Dev Sec'tt.

230 DNP 3/9/35 MW.
231 Issue 3.9.35.
Sec 4/9/35

SEP 1935
1691
INDIA SECTION
4 SEP 1935
SECTT.

Ferd

File No. 48 of 1933

General and Revenue Secretariat

Letter No D 1534 dated 6-9-35 from Messrs King & Partridge explaining certain terms of the agreement and enquiring the opinion of their client in the matter	25
From Messrs King & Partridge. Letter dated 8/9/35 Enquiries re information called for	26

Serial No.

Flag V

232 Subd with reg to paras 227 and 228 above.
This is an ad-interim report.

(1) Re royalty

Assets. The solicitors say that though shares are not mentioned in schedule C of the draft form is secured of the 15% of any distribution whatsoever of dividends or assets earned by the proposed mining Co. Although this is implied, as stated above the inclusion of the words "and of all assets" after the words "the amount of all dividends" in schedule C. seems to be necessary so that the meaning of the royalty terms may be more clear and definite

Shares - They propose to insert the following words between the words "amount" and "equal" in the first part of the royalty clause in schedule C -

"(secured by the issue to Govt of a special class of shares credited as fully paid-up)". This is for orders.

233 (2) Clause 17 re forfeiture of deposit.

They say that there are in reality considerable deposits of advance rents provided for in clause 2 of the draft.

WD 03594—GPB—30,000—13-7-35

72

The deposit is different from rent under the Mineral Concession rules. Rent is paid in advance for the use of the land for prospecting work whereas the deposit is paid as a security for the due fulfilment of the provisions of the rules and of the terms of the license and, subject to any deductions in this respect, is returnable to the licensee after the determination of the license. Rent is a separate payment and cannot be called deposit. According to clause 18 of the draft the license is liable to be cancelled & the deposit forfeited if the licensee fails to report to the Director of Geology the discovery of minerals other than those specified in the license, within the prospecting area. In the present case the payment of deposit has been exempted under certain conditions. To fulfil this condition in clause 17 it may perhaps be necessary to insert the words "the rent paid in advance forfeited" in place of the words "the deposit forfeited". This is in accordance with the interpretation

1924/P/35 1, 84 73

Serial No.

~~Govt~~ the Solicitors.

234 As regards the assurance that pits & excavations will be properly filled up & fenced, etc, they say that this assurance is contained in clause 6 of the draft. Whether this assurance is enough is for orders.

235 (3) Re: ~~further~~ renewal of mining lease for another period of 30 years

In this connection kind reference is invited to this office letter No D 1698 dated 6/9/34 In this no right to renewal for a further period was given or promised. ~~All~~ Although the renewal from of licence was drafted, this according to the agreement of both the parties, no right for was given and this may perhaps be ~~omitted~~ omitted.

Flag E

236 Further report promised will of course be awaited. This may perhaps be submitted to the Asst Secy Law deptt for perusal.

~~Govt~~ 237 This is an interim reply from the Solicitors pending the remarks of their clients ~~for~~ which they have called for 238 Final reply may be awaited.

14/9 WD 035 [illegible]

KB 14/9. (Dev. Secy thro. Law Asst Secy) 239 DOF 20/9 dsg 20/9/35

74

File No. 12-34 of 193

General and Revenue Secretariat

240 Meanwhile for personal

241 Reminder Mr. [illegible] 11.9.35

[illegible]

25/9

Already seen by Asst Secy 25/9/35

OFFICE OF THE FIRST RECEIVED 24 SEPT. 1935 No. 2381

Gen B 2559

DEVELOPMENT BRANCH 30.9.35

From Messrs Kay & Partridge, Madras Letter dated 24/10/35

Furnish further information called for pointed in their letter under reference 26 above

~~Submit the letter separately and add~~

~~240 above~~

241 For perusal in the first instance

The Syndicate has now accepted all the terms as agreed by [illegible]

Second Member / Dewan

Submit M.V. 25/10.

2563-A N.M. 25/10

2564 W.E.S.

2565-A M.V. 25/10/35

46 Urgent - M.V. 29/10/35

2635/35 P 35

Serial No.

247 Subd with reg to paras 227, 228 & 246 above

Orders are solicited in regd to their request in the last para of their letter under disposal. This may perhaps be submitted to the Asst Secy, Law Deptt, for perusal

BM KW 29/10

248 A date has to be fixed for the Solicitors to discuss the draft.

Dew Secy / thro. Asst Secy, Law Deptt

Secy 29/10/35

23/10/35

PRL 30/10/35

249. The Jagirdar will kindly spare time about the further action to be taken

NW 31.10.35.

Subt in person one 1/11

250 The changes now agreed to have to be incorporated in the draft of the Special Prospecting Licence and then the licence has to be granted under the Signature of the Director of Geology. It is I think desirable to take a counterpart duly signed by the Solicitors on behalf of the Licencees. As regards Stamp & Registration, the licence is a document Executed by Govt & consequently requires no Stamp. The licence however since it contains an agreement to lease has to be registered. The Govt advocate with, if appd, be also consulted

NOTE—Contn Sheet.

WD 03594—GPB—30,000—18-7-35

7b 1911 2635

File No. of 193 | General and Revenue Secretariat

in the matter.

Dev Secy)

2/4

2nd The Govt advocate will be consulted. In the meanwhile a date might be fixed and intimated to the Societies as to when their representative may be heard in Bangalore

Any date between the 9th 11th Convenient to the Secretaries may be fixed.

Secy Mahalf

2.11

2nd 12th, 5/11

5.11.

2nd Submit with a draft for approval

5/4

2nd Issue

5/11/35

To Messrs. King & Partridge. No dated 5.11.35 intimating that Govt will be glad to discuss the question with their representative on Tuesday the 12th and enquiring whether the date will suit. Copy to the P.S.D.

2nd Forwarded with compliments to the Govt. Advocate for favour of opinion on or before the 9th

By Order,
Ananbaraya...
for Dev. Secy to Govt.

5/11/35

OFFICE OF THE SECOND MEMBER OF GOVT.
4 NOV 1935
No. 3396

2222 2/11

From 435/35-36 By 5.11.1935

Proceedings 1017/1931-36

5-11-1935

Letter 1934 26-32(1-3) 66-20(1-2) 66-21(1-2) 31-17(3-) 58-21(1-2) 21-14-

Serial No.

254 Returned with compliments.

The draft agreement with the amendments proposed gives effect to the arrangement arrived at between the Government and the Licensees. As the Licensees are liable for the performance of their part of the contract, the preamble portion may be enlarged so as to indicate that the Government offered certain terms and conditions and that the Licensees accepted them.

257 The Licensees may also sign the document so that they may be bound by those terms. Otherwise they will have to execute another agreement.

258 Schedule 'C' may be amended as proposed by the Licensees and Clause 18 may also be suitably amended so as to make the meaning clear.

259 Re: Clause 6 - If found necessary, it may be mentioned that if the Licensees fail to do the work, the Government may do it and recover the cost from the Licensees as an arrear of Land Revenue.

260 It would be desirable to have the document registered.

N. Macgowan 9/11

Government Advocate.

CSN/9.11.35

261 Law Asst Secy) with compts. Secy 9/11/35

262 Dev Secy) 9/11

78

2635 P

File No. of 193 | General and Revenue Secretariat

13 discussed with the Dewan - It seems the Solicitor is coming over here on the 14th inst - It is desirable that we should have the draft deed completely revised as suggested by the Govt advocate, and present the same to the Solicitors for their acceptance - If they accept the matter ends, but if they suggest any further modifications, we may then discuss those suggestions -

14 No. No 78 } 35-36 Forwarded with compts to the Govt advocate for kindly ~~perusing the revision~~ revising the draft on the lines indicated in his note above and returning the file on the 13th - Wednesday.

11/11/35

GOVT. ADVOCATE'S OFFICE
11 NOV 1935
BANGALORE

7. No. 452 | 35-36
dy 11.11.35

15 Returned with compliments.

In the preamble after the first para in the draft the following clauses may be added:-

And Whereas the Government were pleased to grant the same on certain terms and conditions which the Licensees have accepted;

Now this Indenture witnesseth as follows

the

G. O. No. 74/35-36
dy 13.11.35

GENERAL SECRETARIAT
13 NOV 1935

General and Revenue Secretariat — File No. — of 193

Serial No.

266 At the end of para 6 the following may be inserted:-

'If the Licensees shall fail to carry out the aforesaid work it shall be lawful for the Government to do the same and recover the cost thereof from the Licensees as an arrear of Land Revenue'.

XX

267 In Schedule 'C' / the words 'and/or bonus' now proposed may be added between the words 'dividends' and 'and'.

A

268 In Clause 18 between the words 'royalties' and 'specified' the following may be added - 'including the allotment of fully paid up shares'

These additions would give effect to my suggestions

N. Rajeswara Iyer
Government Advocate.

CSN/13.11.35

269 I have got the draft agreement duly revised as suggested above including all the alterations agreed to by John Taylors as per the Solicitors' letter of 24th Oct 1935.

Letter dt 7/11/35 from Messrs Taylor & Co. Madras - Electric

270 As regards the alteration in Schedule C suggested by the Govt advocate at A above, I think the purpose in view would be better served by having an explanation on the lines suggested in

Note—Contn. Sheet

80

2635

File No. of 192 General and Revenue Secretariat

Serial No.

the London Draft itself, which in this respect follows the new agreement entered into for Kolar gold fields - In the revised typed draft put up, I have indicated the necessary words to explain the term 'dividends' & to indicate the mode of calculating the amount of dividends for this purpose.

271 The Solicitor's letter of 7 Nov 1935 says that they would write again about the date of their coming over here. No such letter seems to have been received so far.

Dev Secy) 16/11/35

272 We have not heard from the Solicitors yet. Meanwhile for the revision of draft for formal

Secretariat

Mr. 18.11.35

Mr. 18/11

B032 16/11

273 MM 19/11/35

274 The fair typed copy

275 draft 20/11

Note-Contn. Sheet

~~2635~~ 81

Serial No.

276 Sent with a draft for approval

Sd 20/4

277 Issue

Issued WD 3336 dated 21/11/35

1935 EVENING

Sec B 21/11

278 Mr. Small met the Dev Secy. yesterday.

279 The draft agreement as finally revised by Govt was placed in his hands. After going through it, he agreed to the alterations made in the preamble, in clause 6 and in clause 18. This disposed of the body of the agreement.

280 As re: Schedule A, it was agreed that the portion granted to Sir Hajee Ismail Sait had to be excluded. The total area of the State was taken at 29326 Sq miles & the area included in K.G.F & Hajee's at 23.25 Sq miles. A doubt was raised as to whether the inam villages & Jagirs in the State in which the mineral rights vest in the Inamdar or Jagirdar should not also be excluded. The question about excluding the area of the C&M station was also raised.

A.

WD 03594—GPB—30,000—18-7-35

27/ As regards Schedule C, the rent was stated to be the same as in K97 leases, that is one rupee per acre per annum in advance. The formula regarding royalty was finally proposed to be in the following terms

"2½ percent on the sale value of gold and silver together with a free allotment of the whole of the shares of a certain class credited as fully paid carrying the right to 15 percent of the [any] amount of all [distributed in] dividends made payable by the lessees (so that if at any time the dividend shall be made payable free of income tax the gross amount of such dividend before deduction of tax shall for the purposes hereof be deemed to be the amount of the dividend) and 15 percent of any other distribution of assets".

The words underlined are newly inserted the words in square brackets [ ] are those omitted.

β

28/ Mr: Small promised to send a copy of the agreement as now agreed to be revised after getting the Consent of his clients and it was also understood

Serial No.

that Govt may examine the clauses further and suggest any other modifications they think necessary.

Dev Secy) 27-4-35

2336
27/4

A

283 In Sringeri Jahagir and other villages granted the Matt, the Mining rights are granted the Jahagirdar. This area will have to be definitely excluded

284 So far as C.M. Station is concerned I believe Govt have got the Mining rights & therefore it is not necessary to exclude them

285 The Revenue branch had been requested to examine whether mining privileges have been given to any other Inamdar. Probably not.

286 All these points arise at for the first time it is proposed to give a prospecting license not over the usual defined blocks but over the whole State excepting certain areas.

287 B. We could not adopt the language the present Rules

290 This has to be verified

291 To be verified

The Director of Geology may also be consulted

WD 03594—GPB—30,000—13-7-35

84

V.55/4

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agreements so because Govt is entitled to a distribution of assets and in consequence it is unnecessary to go into the question whether the divisions include the whole of the available profits. At the same time Govt must get 1/3 of the whole amount set apart for distribution of divisions before Income tax is deducted.

The language adopted would seem this

28/ Mr Small would alter "after" where introduced in the last but one line as he felt that distributing divisions was in a sense distributing assets.

29/ After perusal of the Secretariat file Govt advocate the Fin. Secy will be consulted in regard to the revised wording of the royalty clause etc and the file returned.

Secretariat

OFFICE OF THE SECOND MEMBER OF COUNCIL
28 NOV. 1935
No. 4425

MW. 27.11.35

MW 27/11

29/

MW 28/11/35

MW 29.11.35.

Fin. Secy
Comptl

FINANCIAL SECRETARIAT
U.O.No. Fi. 1251
29 NOV. 1935

28/

30/11/35

Sec'n - Sec'n - It is not clear if the present Agreement with Govt Bonus Shares also and with Entitle

Serial No.

F(125)

as to 15 % of their Value. This point might be made Explicit if necessary

4/12

4/12/35

294

G.O. No. P 94 of 35 dated 5-12-1935.

For 533/35-36 dt 5/12/35

Forwarded with Compliments to the Govt advocate for favour of opinion & suggestions, if any.

5/12

295

No. 93/35-36 dt 3.1.36

Returned with compliments.

The only question seems to be whether Schedule 'C' covers bonuses also.

'Bonus' is defined in Annandale's Dictionary as an extra dividend or allowance to the Shareholders of a Joint Stock Company. If it is an allowance, it may be difficult to construe it as a dividend as in some companies bonuses are ~~xxxxx~~ paid in addition to dividends

296 The question whether the expression 'assets' includes 'bonuses' also is not free from doubt.

297 In order therefore to avoid any ambiguity in the matter it would be desirable to have the word 'bonus' expressly in Schedule 'C' as I have mentioned already.

298 The portion in brackets explaining the term dividend' may however be retained making it also

GENERAL SECRETARIAT 4 JAN 1936

NOTE.—Contn. Sheet.

WD 03591—GPB—30,000—13-7-35

86

2605

File No. of 193 | General and Revenue Secretariat

also applicable to any bonus payable by the Company.

N. Thiagesvaran Esqr
Government Advocate.

CSN/3.1.36

299 Plan may be returned to the Dep. Br.

TSD 4/1

6/5/1

4

From Messrs King & Partridge, Solicitors, Madras
Letter dated 23/10/35
~~Grants~~ Draft for approval of the proposed Special Prospecting Agreement 30th Subd. Kind reg is invited to Para 145 - above - 31

An interim report invited No 7 4057 d 24/10/36.

(1) An application fee of Rs 25/- for the first sq. mile and 2 annas (under Rs 5/-) for each additional square mile.

Kind reg is also invited to Rules 15, 16, 19 & 20 of the Mineral Concession rules

A copy put up.

~~(2)~~ The company have to make an application as in Form No 3 of the rules to the Govt. They have to pay the amount to the Treasury and enclose the Treasury receipts to the application.

Page 25 of the rules.

Prospecting licence for gold 2635/35

87

General and Revenue Secretariat

File No. 48 of 1933. [App. F. III—2

Serial No.

3.1 It may perhaps be necessary to know the total area over which the grant proposed to be granted in for calculating the total application fee to be paid by them.

3.2 The Asst Sy, Law, & the Dir of Geology may perhaps be consulted in the matter

3.3 Ref. Members Minute dated 28/11/35 (Paras 290, 291 & 292) above

3.4 The draft agreement sent by the Solicitor is also for approval or other orders.

4/11/36

3.5 The Law Secy and the Director of Geology will, if approved, be consulted..

Dep. Secy) dep 6/1/36

3.6 Mr Jagatrao will kindly discuss this with me

HW. 6-1-36. dep

3.7 Rev Branch for kindly noting the total area in square miles of the Jagir and other inam lands endorsed to the Swamigalu of Sringeri.

BDP 15/1/36

3.8 Secy. The area of Sringeri Jagir is 43·21 sq. miles (Vide page 6 of Census Report 1931. Part II)

Vide marginal Page 83 of the note

4398 6/1

Imle

Mr G.O.N.

NOTE.—Contn. Sheet.

WD 0559—GPB—30,000—13-7-35

88

No 35 P

18

File No. of 193 General and Revenue Secretariat

Information as to the other inam lands endowed to the Swamijalu is not available in the Rev Branch. The Inspection Book may perhaps furnish the information

Mr 16/1/36 (Law Branch)

dcg 16/1/36.

309 Mem Bx for furnishing information regarding the area of other inam lands endowed to Sringeri Jagirdar.

DRL 16/1

Recd 18 P

GENL. & REVL. SECRETARIAT 18 20 JAN. 1936 MEMORIAL BRANCH

Mem. B.R.

310 The Register of Inam lands endowed to the Sringeri Jagirdar is sent up. (Vide flag H) This information may not be complete and the M.C may perhaps be requested to furnish the required information unofficially.

20/1 20/1 Gen: Leg)

311 This may be done. H 20/1/36

312 Yes Mo 27.1.36 1/29/1

313 Forwarded with compliments unofficially to the Mysore Commissioner for favor of furnishing the information required.

By order

Bangalore 29.1.1936

for General Secretary

GENERAL SECRETARIAT 20 JAN. 1936 602

KING & PARTRIDGE,
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S.

TELEPHONE No. 3911. (2 LINES)
POST BOX No. 121.

Ge? Nayyar 1/. 27/1.

4501/35 89

High Court Buildings,
Madras.

22nd January 1936.

From
Messrs. King & Partridge,
Solicitors & Notaries Public,
High Court House,
M a d r a s.

314 XXX
The file was sent to our Office please
By... Cpt. back
Office Asst.
28/1

To
The Secretary to the Government of His Highness the Maharaja of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

Sir,

Grant of special prospecting license for gold to Messrs. John Taylor & Sons over the whole of the State excluding the Kolar Gold Field area.

We beg to remind you of your letter No.D.4051 of the 2nd instant, and Our clients are anxiously awaiting to hear from you further and finally as regards the approval of the draft licence, as valuable time has already been lost in proceeding with prospecting.

We have the honour to be,
Sir,
Your obedient servants,
King & Partridge

315
HHS/VPK.
Sent with draft & fair & letter
CBA 3/1)
316 Issued no. P. 4051 d 28-1-36.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

90

General and Revenue Secretariat

Dated, Bangalore, 23rd January 193 6

No. 4774

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

Messrs King and Partridge,
Solicitors and Notaries Public,
High Court House,
MADRAS

xx
Sir,

Subject - Grant of special prospecting license for gold to Messrs John Taylor and Sons., over the whole of the State excluding the Kolar Gold Field area.

Gentlemen:

With reference to your letter of the 22nd instant, on th above subject, I am desired to state that the matter is engaging the attention of Government and the decision in the matter will be intimated to you as early as possible.

Yours faithfully,

For Secretary to Government,
Development Department.

Serial No.

GENL. & REV. SECT.
818
27 JAN. 1935
MADRAS

317

To, >

Mem. Bx } for favour of furthering up
no. }
Connected papers

NOTE—Contn Sheet.

WD 03594—GPB—50,000—13-7-35

91

81F

450/935

File No. | of 193 | General and Revenue Secretariat

318 4

The file referred to above was sent to General Secretary on 20.1.1936 for orders and it will be sent back to the Land Section as soon as it is returned with orders

AAS 27/1/36 To the Protection Branch W.C.)

D. 7.82

319 S

Subj: for perusal.

Return of the file will be awaited if appl

TSD 29/1

Pc + Genl Secy is kindly for + up if it is if available

TSD 29/1

Secy.

The file is [illegible] Gen Secy it may be [illegible]

320

The Dep Secy directed that the matter has to be disposed of early, even though information regarding area of inam lands endorsed to Sriperumbudur is not available readily. It is for this reason that the file was sent to the Collector and it is not clear for what orders it has been submitted to the Secretary. The PC will kindly explain & get the file back early.

DML 29/1

Secy

This may [illegible] & Secy PC on 27/1 for [illegible] Secy's orders

29/1

May it be kindly (v.c.) put up the file.

TSD 29/1

Serial No.

3rd The connected file of the Development Branch is perhaps (linked file). The Law Section desires to have it back even if it contains the information about the area of the Sringeri Inam lands, for which purpose the file has been ordered to be sent to the H.C. unofficially, is not readily available.

If agd the linked file will be returned to the Law Section as desired

30/1

3rd Geo Please
At once.
30/1.|36

3rd The final draft sent with the Solicitor's letter of 23rd Dec 1935 ~~is~~ incorporates all the modifications mentioned during the discussion with Mr. Small on 26.11.35 and specified in my note of 26.11.35 supra.

3rd4 As regards the area in Schedule I, it is now clear we have to exclude the Sringeri Jagir and other inam lands endowed to the Sri Sringeri Mutt. The area of the Jagir is 43.21 Sq miles (para 308 above) and the area of the inam lands endowed in Koppa Taluk

93 Prospecting license for gold 4898/1

File No. of 193 General and Revenue Secretariat

SECONDARY

NO. 5852

is about 319 areas according to the Register kept below. I think Schedule A may be made to exclude the Sringeri Jagir & all inam lands conveyed to the Mutt, the total area being taken to be approximately 45 Sq: miles.

3rd As regards Schedule B, the modification suggested by the F.A in para 9 may be accepted. Instead of "all dividends", we may put in "all dividends including bonuses". With these modifications the draft may be accepted.

Dev Sec'y) 30/1/36

3rd Yes. Please put up a draft letter.

31.1.36.

4898 3d/1

3rd A draft letter to the Solicitors is put up for orders.

Dev Sec'y) 3/2/36

The amount to C.P. Stock is incorrect.

3rd I have discussed with Mr Jagannatha & fixed the draft in order. Please attend Secretariat

3.2.36.

11

3d/

Serial No. 329

It would have been better if definite enquiries had been made in the Dean and Geological sense to make sure that there are no known areas to be excluded from the scope of the licence owing to the existence of vested rights. But, perhaps, clause 3 is sufficiently general in its terms and a categorical enumeration of other excluded areas, if any, is not strictly necessary

330 Clause 19 is taken from the ordinary form of prospecting licence which is issued for areas not exceeding 4 sq. miles (I believe). In the present case, where the licence covers practically the whole State, such a clause would be inconvenient, if not unworkable. Strictly construed, it would require every boundary for land to be referred to the licensee before it could be dealt with on its merits. We should either omit the whole clause or confine its application to any special areas that may be notified for the purpose from time to time at the request of the licensee company

NLL
4/2/36.
WW
4.2.36

NOTE—Contn. Sheet.

WD 0:955—GPB—22,500—12-6-34

98

4501

Prospecting licence for Gold

fed

File No. 48 of 1933. | General and Revenue Secretariat :

331 It is agreed the scope of clause 19 had not been noticed before. A separate para regarding this clause is now added in the draft letter to the Solicitors. A typed copy of the draft is placed below for consideration and orders.

Dew Sec'y) 4/2/36.

332

333 Dewan) 6/2

334 7-2-36

335 Dewan to Issue Order 8/2/36.

To Messrs King & Patridge, Madras

No. J 4840 dt 8/2/36

Requests that fuller consideration may be given to the draft of the

33

DEWAN'S OFFICE
7 FEB. 1936
No. Leg. 13

OFFICE OF THE SECOND MEMBER OF COUNCIL
8 FEB. 1936
NO 527

General and Revenue Secretariat | File No. 48 of 193 3 [App. F. III—

Serial No.	
	special prospecting license vide under this letter dated 23/4/36 etc
34	From Messrs Gabbidge, Mackay. Letter dated 10.4.36 Acknowledges the receipt of the letter in serial 33 above
336	Subject for perusal. A detailed reply promised which, if approved, be awaited
	Gp 180 337 Yes 13/4/36
	From the Director of Geology No 9203-1. dated 4/3/36 Asks a copy of letter No 1075-/Books dated 28/4/36 from the Comptroller requesting to be informed of the head of credit in respect of sum of Rs 8707-2-0 received from Messrs The Indian Mines Development Syndicate on account of application fee for a special prospecting license, etc
	From John Taylor & Sons, London Letter dated 24/4/36 States that they accept the proposed modifications to the draft license & request to be supplied with a map showing the location & boundaries which they can mark it off on their maps.

NOTE—Contn. Sheet.

WD 0195—GPD—22,500—12-6-34

Prospecting licence for Cortes
papers re Messrs John Taylor & Sons

fcd

File No. 48 of 193 J.

General and Revenue Secretariat

338

Submit for perusal (P.W.Ds I + II) with the file-cutting

Sgd 6/3

337 (2nd Member)

dcg 6/3/36

OFFICE OF THE SECOND MEMBER OF COUNCIL
6 MAR 1936
No 685

340 Nil 7/3/36 dcg

From Messrs King & Partridge
Letter dated 2/3/36
Asking grant of the special prospecting licence etc

From the Dist Supt Police
No 9203-6 dated 6/3/36
Reports to be supplied of the necessary particulars to enable him to take further action on the application received from Messrs King & Partridge

OFFICE OF THE SECOND MEMBER OF COUNCIL
9 MAR 1936
No 684

341 Submit for perusal P.W.Ds II + III

Sgd 9/3

341 (2nd Member)

dcg 9/3/36

343 Submit with two drafts as desired

Sgd 10/3

344 Issue dcg 10/3/36

1936 SECTT

General and Revenue Secretariat | Pearl File No. 48 of 1937. | [App. F. III—2

Serial No.	
39	To the Dist Collector no D 5334 dated 10/3/36 Asks the entire suit file on the subject & requests that a list of Inam villages in the State in which Inamdar rights have been recognised may be sent
40	To the Messrs Knight & Partridge Madras Acknowledges the receipt of his letter dated 2/3/36.
41	From the Dist Collector no C. 1447 dated 10/3/36 Asks a list of villages in which Inamdars' rights to minerals have been admitted according to the Land Revenue Code.
345	Orders on the letter " Dear Sir. We have to intimate these details to Messrs Golam Taylor Khan dated N. M. 11/3/36 " M. V. 12/3 " D. C-S.
42	From the Dist Collector no 9203-C dated 11/3/36 Acknowledges the receipt of the

NOTE.—Contn. Sheet.

WD 04591—GPB—80,000—18-7-35

99

File No. of 193

General and Revenue Secretariat

Secretariat file or if study than the file will be returned on the 23rd instant etc

General and Revenue Secretariat | File No. | of 193 . | [App. F. III—2

No. G. 1495/

Serial No. 346

As per my letter No.9203-9 dated 11th March 1936 to Government, I herewith return the entire Secretariat file relating to the grant of a special prospecting license for gold and silver to the Indian Mines Development Syndicate Ltd. with the following note:-

347 1. The application for the renewal of the Certificate of Approval has been received to-day from the Attorney of the Indian Mines Development Syndicate Ltd. The necessary fee is stated to have paid into the treasury but the treasury receipt has not yet been received in this office. Necessary recommendation will be sent to Government on the above application as soon as the treasury receipt for the fee paid is received in this office.

348 2. It is seen from the file, that the special prospecting license for gold and silver proposed to be granted to the Indian Mines Development Syndicate Ltd. covers the entire State excluding (1) the ~~lands~~ Kolar Gold Field mining area (2) the lands covered by the mining lease held by the late Hajee Sir Ismail Sait and (3) the Sringeri Jagir.

349 Besides these, there are other areas which have to be excluded from coming within the scope of the special prospecting license as the inamdars of these sarvamanya villages already possess mineral rights. A list of such villages is herewith enclosed. The total area covered by these villages is about 41 sq. miles and this area has to be excluded from the scope of the special prospecting license in addition to the three areas mentioned above.

350 3. As opined by the Government Advocate, the special prospecting license requires registration.

351 The terms of royalty and rent having already been settled, there is nothing further to add on these.

352 On receiving the treasury vouchers for the payment of the fees for the renewal of the Certificate of Approval, the application for the renewal and also the application for the grant of the special prospecting license for gold and silver to the Indian Mines Development Syndicate Ltd. will be submitted for orders of Government with my due recommendations.

B Ramadas 23-3-36.

Director,
Mysore Geological Department

NOTE—Contd. Sheet.

WD 03594—GPB—30,000—13-7-35

GOVT. SECRETARIAT 25/3 DEVELOPMENT BRANCH

List of Inam villages possessing Mineral rights.

	Taluk.	Village.	Extent. Acres	Guntas.
1.	Mysore.	Kallahalli S.M.	1,562	4
2.		Madduru. S.M.	2,079	27
3.		Mandanahalli S.M.	560	10
4.	Krishnarajapet.	Hariharapura S.M.	996	33
5.	Malavalli.	Veerarajapura S.M.	545	
6.	"	Doddamalagodu S.M.	1,075	24
7.		Hegguru S.M.	2,080	12
8.	T. Narasipura	Hunasanhalli S.M.	818	37
9.		Seehalli S.M.	1,891	21
10.		Maragowdanahalli S.M.	663	1
11.		Menasikyatanahalli S.M.	1,879	25
12.	Seringapatam.	Pattasomahahalli S.M.	559	21
13.		Mahadevapura S.M.	3,120	..
14.	Nanjangud.	Tummanerlu S.M.	1,572	36
15.		Kanenuru S.M.	2,351	30
16.		Hatwalu S.M.	919	8
17.	Bowringpet.	Vadandahalli S.M.	501	15
18.		Tukkal S.M.	863	39
19.	Closepet.	Vurugahalli S.M.	2,197	22
		Total:	26,239	5

or about 41 sq miles

B Rama Rao

Director,
Mysore Geological Department.

Page 98

Serial No.

35-3 Subd with ref to the Members orders dated 4/3/36 (Para 345-) above

(i) The total area covered by certain villages possessing mineral rights under the Land Revenue Code will be about 41 sq. miles. The Dist states that this area has also to be excluded. The total area (including this) to be excluded comes to about 109 sq. miles. In schedule A the main villages possessing mineral rights as detailed in the list have to be added as No (4)

Consequent upon this alteration the figures Rs 29258 in clause 2 of the draft agreement may have to be altered: if approved, Messrs Kirp & Partridge will be addressed in the matter.

68 41/109 sq. miles

354 (2) The recommendation of the Dist (Para 352 above) will, if approved, be awaited

355 (3) The Dist states that the mineral prospecting licence requires registration. (Para 350 above)

356 (4) In para 2 of their letter dat 24/2/36, Messrs Golam Taylor have requested that they may be supplied with a map

NOTE.—Contn. Sheet.

WD 6591—GPB—30,000—13-7-35

Special Prospecting licence for Gold & Silver to the Indian Mines Development Syndicate.

4087 V4115 V4129 V4130 V4144 V4265

showing the location & boundaries in regard to the excluded areas in the Kadur Dt. The main villages (to be excluded in the State) have also to be indicated in the map. If approved, the Dy Govt will be requested to supply a map of the State showing the location and boundaries (with latitude & longitude) in regard to the excluded areas in the Kadur Dt and the main villages to be excluded.

35-7 The Asst Secy, Law Deptt, may perhaps be consulted in the matter

Govt 48 35-8
2573 Dew. Secy) Secy 25/3/36

WW. 26.3.36.

35-9
Law Asst Secy with compts) Secy 26/3/36

6105 26/3

360 Further reply from the Director has to be awaited before final orders can be passed. Meanwhile there is no objn to write to the collector about the further areas to be excluded & action may also be taken to get a proper map prepared.

Dew Secy) 361 Draft Memo 26/3/36

Read on 27/3

WW. 26.3.36. Secy

Prospecting license for Gold to Indian Mine Development Syndicate 104

Serial No.

362
Sent with two drafts for approval
Sd 28/3 363 Dev. Secy) dcg 28/3/36
2/4/3

364 Please speak time
NW 28/3/36.
my

6 M 28/3

365
Sent with revised drafts as directed by the Secy
Sd 366
30/3 39. Done
dcg 30/3/36

TYPING SECTION, 30 MAR 1936 GENL & REV. SECTT.

43 To Messrs Kipp & Partridge, Madras
No D 6005 dated 1/4/36
Stating that certain enam villages have to be excluded from the scope of the special prospecting license No D 6006. Copy to the Dir of Geology

44 To The Director of Geology
No D 6007 dated 1/4/36
Requesting that a map of the State, in duplicate showing the location and boundaries of all the areas to be excluded from the scope of the special license, may be sent

WD 6591—GPB—80,000—13-7-35

Special licence for gold to
the Indian Mines Development Syndicate

Govt File No. 48 (4265) of 1937. | General and Revenue Secretariat

Subd with ref to para 360 above

~~The draft licence marked~~ ~~refers~~ ~~further modifications and Schedule A~~ ~~accordingly.~~ Flag B.

(1) The main villages possessing mineral rights have to be excluded from the ~~to~~ scope of the mineral licence. The total area to be excluded will be about 109 sq. miles. (clause 2 and Schedule A of the draft Agreement (flag B) have to be ~~altered~~ further altered. 68 41 109

(2) The Dir of Geol has since sent ~~up a~~ ~~recommending~~ to the grant of a certificate of Approval and a mineral licence for gold & silver to the Indian Mines Syndicate. The files relating to these have been submitted ~~to the Secretariat~~ separately. ~~Copies are also enclosed for~~ Flag ~~to~~ No 4483 submitted separately (2) File 4492 File Govt 87-35 Licence hereto.

(3) ~~Order~~ Kind ref to, also invited to letter dated 2/3/36 from Messrs Kirp & Partridge. Orders are requested as to when Mr. Small may be ~~asked~~ asked to attend at Bangalore to execute the agreement on behalf of the Company. P. W. D. II

~~Govt~~ Asst Secy, Law may perhaps be consulted in the matter 2/4 ~~78~~ No licence required registration (Para 350 above)

Dev. Secy) 2/4/36 63 2/4

Asst Secy Law will please speak to me MW 3.4.36.

Grant of a special prospecting license for gold & allied to the Indian Mines Development Syndicate Ltd

4633 V 4634

General and Revenue Secretariat | fee(File No. 48 of 1933. | [App. F. III—2

Serial No.

From Messrs Kirp & Partridge, Madras
to Letter dated 4/4/36
Rec'd for approval
Rds a fresh engrossment of the special prospecting license, etc from the Collector of Bellary no 9203-24 dated 4/4/36
Rds a map of the State, in duplicate showing the location & boundaries of the areas about 1094 sq. miles in extent to be excluded from the scope of the license

fee(48-53

Subs. The Exam file (4648-) was submitted to the Dep Secy on 2/4/36. A Copy map has to be sent to Messrs John Taylor & Sons as per requisition from them

~~Mr. Taylor has also to the Collector & Executive Engineer~~

SPP 6/4 After the approval of the engrossment, a draft has to be prepared for execution thereof at Bangalore as requested by the solicitors.

Mr. may be submitted to the Dep Secy for Confirmation.

SPP 6/4

Dep. Secy

6/4/36

6371 6/4

NOTE.—Contn. Sheet.

WD 0504—GPB—30,000—18-7-35

grant of a special prospecting licence for Gold & silver to the Indian Mines Development Syndicate Ltd

Ltr. dt. 4/4/36

Govt File No. 48 of 193 3

General and Revenue Secretariat

RECEIVED
SECOND Mines & Geology
No. 2295

Sent with two drafts 1) to the Solicitors
2) to the Director.

Dew Secy) 7/4

7/4/36.

Secretariat

8.4.36

From Messrs King & Partridge dated Delhi 7/4/36.

8/4/36.

9.4.36.

RECEIVED
9 APR. 1936
GENL & REV. SECT.

9/4/36

To

The Dir of Geology 48

No D 6299 dated 20/4/36

Sd a copy of letter dated 4/4/36 from Messrs King & Partridge and a copy of the reply thereto and request to take necessary further action to get the agreement duly executed and registered at Bangalore.

To, Messrs King & Partridge 49

No D 6298 dated 20/4/36

Thanks that 4.4. for approval of the final draft of the special prospecting

Prospecting license for gold and silver to the Indian Mines Development Syndicate Ltd
Mdu 4581

General and Revenue Secretariat | Genl File No. 48 of 1933 | [App. F. III—2

Serial No.	
	license sent with this letter dated 4/4/36 cli
50.	From Messrs King & Partridge of Madras Letter dated 22/4/36

States that the matter of execution and registration of the mineral license will receive their attention

Subd for perusal. This may perhaps be submitted to the Dewan for perusal.
25/4/36

Dewan)

27/4/36

28-4-36

29.4.36.

DEWAN'S OFFICE
28 APR. 1936
No. 6548

GEN. & REV. SECRETARIAT
4 SEP 1935

GEN. & REV. SECRETARIAT
30 APR. 1936
DEVELOPMENT BRANCH

NOTE—Contn Sheet.

WD 03594—GPB—30,000—13-7-35

Kenneth B. Taylor,
C/o

MESSRS. JOHN TAYLOR & SONS' COMMITTEE.

Oorgaum,

31st January 1934.

DEWAN'S OFFICE
2 FEB. 1934
No. M. 761.

Dear Sir Mirza,

Following upon our talk at our last meeting with regard to our endeavouring to open up further gold Mines in the State, in compliance with your request I have much pleasure in putting forward a suggestion for the terms of the mining leases. A great deal of money has, in years gone by, been spent in the State on gold occurrencies and the reason that it has not resulted in the development of other producing mines has invariably been that the occurrencies were too patchy or too low in grade but the present prices ruling for gold leads me to hope that some of them might now be brought into production. It is of course very speculative particularly so in the light of our knowledge of the past and I would suggest that the terms of the mining leases should be sufficiently generous to offer the inducement that will be necessary for capital to be embarked in the enterprise.

According to the terms of leases that have been customary in the State which embody a fixed royalty I would suggest that this should not exceed 2½ per cent and that the additional royalty should accrue in the form of a percentage on the nett profits, such percentage to be on a flat rate or according to a sliding scale.

Before however taking up consideration of this rather difficult question of a suitable sliding scale, having regard to the speculative nature of the proposed enterprise, you may perhaps prefer to consider royalty terms on the lines of the newer and more recent leases which have been granted in South Africa. The method would have been equally suitable in my opinion

to the cases of our producing mines although our recent discussions had to be developed on different lines more consistent with the existing ones.

According to the South African system then I would suggest the following scale:-

1. No fixed royalty.

2.

When the % of the profits to the revenue from gold sales is	% of nett profits payable to Government is
0 - 10 %	2½ %
10 - 20 %	5 %
20 - 30 %	10 %
30 - 40 %	12½ %
40 - 50 %	15 %
50 - 60 %	17½ %
60 - 70 %	20 %

One considerable advantage in this system is that settlement is effected without reference to the capital employed whereby a source of complication is removed.

Yours sincerely,

Kenneth B. Jay Esq.

Amin-Ul-Mulk Sir Mirza M.Ismail,
Kt., C.I.E., O.B.E.,

Dewan of Mysore,

Bangalore.

RVR.

Dear Mr. Taylor,

I am in receipt of your letter dated 31st January 1934, regarding the terms of the Mining leases for opening up new Gold Mines in the State. This is an important question & will be considered after the renewal of the existing leases in the case of the Kolar Gold Mines is finally settled.

Yours sincerely,

Dewan)

6/2/34

Bangalore,

7th February 1934.

2216

Dear Mr Taylor,

I am in receipt of your letter dated 31st January 1934, regarding the terms of the Mining leases for opening up new Gold Mines in the State.

This is an important question and, as I told you at the meeting, it will be considered after the renewal of the present leases is finally settled.

Yours sincerely,

Kenneth B. Taylor, Esq.,
~~Messrs. John Taylor & Sons' Committee,~~
~~OORGAUM.~~
Passenger, ~~(K.G.F.).~~
P.& O. S.S."Corfu",
BOMBAY.

Appendix F (1)]

3 with two copies of the letter

SUBJECT .....

.....

.....

Section Pol

File No. 68-33

Serial No. 3

Diary No. of letter replied to ..... Confidential

No. D 4202-3 Enc 1

To (1) The Chief Inspector of Mines & Explosives

(2) The Govt Geologist

General and Revenue Secretariat

the 193

Date of issue 24-2-34

Signed by M G.M.

Sir

I am directed to forward herewith a copy of Mr. Kenneth Taylor's letter dated 31/1/34 re. the terms for prospecting for gold mining mineral areas and to request you to kindly furnish your opinion in regard to these terms proposed by him in a note on other terms & conditions, if any, to be suggested by you.

I have &c

Sd 20/2

for Secy

List of enclosures .....

Copied by .....

Examined by .....

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Confidential.

Dated, Bangalore, 23rd February 1934.

No. D4202-3 Eul

Dev. 48-33-3

From The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

(1) The Chief Inspector of Mines and Explosiges, Kolar Gold Fields.
(2) The Director of Geology in Mysore, Bangalore.

Sir,

I am directed to forward herewith a copy of Mr. Kenneth Taylor's D.O. letter dated 31st January 1934 re: the terms for gold mining in new areas in the State and to request you to kindly furnish your opinion in regard to the terms proposed by him with a note on other terms or conditions if any, to be suggested by Government.

I have the honour to be,
Sir,
Your most obedient servant,

For Secretary to Government,
Development Department.

HKS. 3

Geol. 48-33-4

GOVERNMENT OF MYSORE.

GEN. 2

Telegraphic Address:—"GEOL."

MYSORE & DEVELOPMENT BRANCH
ICAL DEPARTMENT,

No 8083-2
Econ 2

Bangalore, April 1934.

FROM

A. M. SEN, Esq., M.Sc., F.G.S., etc.,
Director of Geology in Mysore,
Bangalore.

To

M.Venkatanaranappa, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Development Department, Bangalore.

Sir,

With reference to your letter No.D.4202-3/Geol. 48-33-3 dated 23/24th February 1934, requesting to be furnished with my opinion in regard to the terms proposed by Mr. Kenneth B.Taylor for gold mining in new areas in the State, with a note on other terms or conditions, if any to be suggested by Government, I have the honour to state as follows:-

2. In his letter of the 31st January 1934 to the Dewan of Mysore, Mr. Kenneth B. Taylor of Messrs. John Taylor & Sons' Committee, Corgaum, puts forward a suggestion for the terms of mining leases for new areas where mining has been very speculative, particularly so in the light of knowledge of the past; and he suggests that the terms of the mining leases should be sufficiently generous to offer the inducement that will be necessary for capital to be embarked in the enterprise.

3. Although he says that the fixed royalty should not exceed 2½% and that the additional royalty should be realised in the form of a per centage on the nett profits either at a flat rate or on a sliding scale, he brings forward for

for co ation the royalty terms of the more recent leases granted in South Africa. In doing so, he suggests for adoption the system now in vogue in South Africa, in which there is no fixed royalty, but a royalty is levied on a sliding scale depending on the percentage of profits to the revenue from gold sales.

4. I have very recently received a letter from the Secretary for Mines in the Union of South Africa, dated Pretoria, 26th February 1934, on the subject of royalty levied on the precious metals of gold and silver mined under leases in South Africa. In the Transvaal for a lease over a small area an amount in cash at so much per claim unit in the area is accepted; in cases of larger areas a share of profits is paid either according to a fixed sliding scale laid down by law or to a formula determined according to very many factors which are locally peculiar. An amending bill is at present before the Union Parliament to do away with the fixed sliding scale and to substitute a more elastic method of a formula in all leases. "Such formulae vary according to local exigencies in every lease and the assessment of the States' Share of profits thereunder is governed by many financial and technical considerations peculiar to the Witwatersrand". There are a very few instances current where a flat share of the profits is appropriated to the State. Although the Bill referred to contains very many amendments to simplify the existing procedure, there is no intention of departing from the method of appropriating a share of the profits to the State. Thus it may be seen that in South Africa the Government are willing to do away with a fixed sliding scale, although they are anxious to appropriate a share of the profits to be determined by a formula or formulae which would depend entirely on local conditions.

5. The suggestion of Mr. K.B.Taylor that the terms of

of the mining leases should be sufficiently generous to attract capital for necessary investment is quite reasonable but at the same time they should be considered in the light of knowledge gained from the mines of the Kolar Gold Field, so that the complete transaction would be fair and equitable not only to the lessees but also to the lessors i.e., the Government of Mysore.

6. Though the levy of a fixed royalty in the shape of a percentage of the gross output may not be quite equitable unless the profits obtained by the lessee are also proportional to the value of the gross output, yet a small percentage of the gross output appears to be justifiable, for the privileges granted to the lessee company for working in the State and providing employment for a number of persons, even if the mines are not earning any dividends during the initial stages of development. When the lessee however earns profits, it seems fair that a certain percentage of these profits should be paid to the lessor, in accordance with the amount of profit earned.

7. As regards the fixed royalty, no reasons have been put forward against such levy; on the other hand Mr. Kenneth Taylor has suggested that this should not exceed 2½%. For the purpose of additional royalty to be taken from the net profits, this may be levied in two ways (1) as a fixed percentage of net profits as flat rate or (2) as a variable percentage calculated according to a sliding scale.

8. This fixed percentage will give to Government a fair share of the profits from exceptionally paying mines; but it acts severely against those which achieve limited success. On the other hand if the percentage fixed upon be a reasonable share of the profits of the poorer mines,

the same proportion of the profits of very rich mines will not give to the State an adequately good share which might be conveniently paid without loss. The profits depend not only on the gross value of the product, but upon the cost of obtaining it; and this cost depends on (a) the grade of the ore, i.e., on the quantity of gold contained in each ton of ore, (b) the cost of mining the ore, and (c) the difficulty of extracting the gold from the ore. All these items vary within wide limits and hence the proportion of profits to value of gross product also varies greatly.

9. In the case of new mining areas which have yet to be proved commercially successful a high flat rate of royalty on the sale value of the output of gold and silver might turn out to be a heavy burden if the properties contain ores of average low grade. However a small rate appears to be justifiable on grounds of equity. But owing to the prevailing high value of gold as at present, some of these mines might turn out quite profitable, though there is no certainty how long these high values would continue. With the restoration of the gold standard and the recovery of the trade depressions and economic conditions of the world, the normal value of gold might return earlier. Under these circumstances it seems a low flat rate of royalty on the output with an additional amount according to a sliding scale on profits would be a suitable system.

10. Under the present rules in force, notified by the Government of His Highness the Maharaja of Mysore in their order No.G.25838/Geol.57-18-20 dated 12th May 1920, the scale of royalties to be paid on gold and silver is stated in the schedule A. This scale however appears to need some alteration in the light of the present conditions of mining and sale of gold and silver in the State.

(continued)

11. The clause (1) states that no royalty shall be paid so long as the operations in connection with the mining block do not result in any net profits to the lessee. This does not give any return to the Government although a lessee company is permitted to work the valuable ores, employ a number of men and deplete the mineral assets of the State, as the operations do not result in any net profits to the lessee. Such depletion deserves some compensation as a matter of equity since the lessee certainly derives some advantages from ~~a~~ carrying out the mining operations.

Under these circumstances, I propose that in addition to the usual rents and cesses, the mines not getting any net profits and thereby not paying any dividend should pay a royalty of 2½% of the sale value of output of gold and silver.

12. The method on which a sliding scale for additional royalty should be based depends on different factors. If the percentage of net profits payable to Government is determined by the percentage of such net profits to the capital employed, there will always be a source of complication as the capital would be liable to manipulation by the Directors in the interest of the Shareholders of the Company The adoption of this method is thus liable to objection as already pointed out by Mr. K.B. Taylor.

13. The next system deserving consideration is the South African one, in which the percentage of the profits to the revenue from gold sales is to be taken into account in determining the percentage of net profits payable to Government as royalty. It has got the drawback that the revenue from the sale of gold according to the market rate is a very fluctuating factor, specially at the present time when the price of gold is ruling so high. This may come

come down any time and the percentage will be considerably affected thereby. Also it does not provide for any royalty payable to Government in the absence of net profits to the lessees. The amount to be realised by this scale would be much less than by either of the two scales to be proposed hereafter, or by the system now in vogue in the mines of the Kolar Gold Field. All these three scales are noted together in a statement A for easy reference.

14. The South African system (Scale A) may be modified to scale B so as to yield a larger amount of royalty. By this there will be a fixed royalty at the rate of 2½% on the sale value of gold, even in the case of mines which do not earn any profits; in addition there is to be paid an extra amount according to a sliding scale. The scale B has the same drawback as the scale A, namely, the revenue from the sale of gold according to the current market rate would have to be taken into account in determining the percentage of net profits payable to Government, though this is a very fluctuating factor.

15. In order to avoid this variable factor, another scale C is suggested in which the amount of net profit alone would be taken into consideration. Though this net profit would no doubt depend on the sale value of gold at the current market rate, still the royalty payable would be determined according to a sliding scale based on the amount of net profit. According to this scale C, there will be a royalty of 2½% on the sale value of gold and silver, even if the mines do not earn any profit; in addition to this, an extra amount has to be paid as shown in the Statement A (appended herewith).

(continued).

16. For the purpose of comparison between the three scales, let a hypothetical case be worked out when the sale value of gold and silver may be assumed as £100,000 and the net profit as £5,000/- to start with (See statement B appended)

17. From this statement it may be seen that the scale A (of South Africa) gives a less return than either of the scales B and C while the existing scale of royalty gives a less return when the profits increase. The existing scale needs some modification as no royalty is payable when no profits are earned. This point has already been discussed in paras 9 and 11.

18. Under these conditions I am of opinion that royalty payable to Government in new Mining areas according to scale C would be a suitable one; it will be advantageous to Government and this does not appear to be a heavy burden on new enterprises.

19. In regard to the existing mines on the Kolar Gold Field, whose industrial success has already been achieved, there should be a fixed royalty at the rate of 5% on the sale value or a little more and an additional royalty should be fixed on the total amount of net profit, according to a sliding scale, on the lines of the scale C. Only the basis of this scale should be fixed at a higher figure say £10,000/- the percentage of profit payable as royalty increasing for a rise of every £10,000/- in total profits.

20. When a scale is based on the dividends declared, it would depend directly on the amount of the capital as well as the sale revenue which would control the dividend and the profits; and as the capital is liable to manipulation this may lead to complication. A scale based on the total

total amount of net profits, though it depends on the sale revenue, minimises the effects of the fluctuating factors as the royalty has to be calculated on a fixed amount and not on a sliding proportion of the profits or the sale value.

I have the honour to be,

Sir

Your most obedient servant,

7.4.34.

D i r e c t o r,

Mysore Geological Department.

Bs.6/4.

Statement A — Three Sliding Scales A, B, C for levying royalty on Gold and Silver.

Scale A.

The South African System – suggested by Mr. Kenneth B. Taylor.

1. No Fixed royalty
2. The following sliding scale

When the % of the profits to the revenue from Gold & Silver sales is	% of net profits payable to Government is
0 — 10 %	2·5 %
10 — 20	5
20 — 30	10
30 — 40	12·5
40 — 50	15
50 — 60	17·5
60 — 70	20

Scale B.

1. Fixed royalty at 2½ % on the sale value of gold & silver
2. addition Sliding scale

When the percentage of the net profits to the revenue from gold & silver sales is	% of net profits payable to Govt is
above 0 up to 10 % (inclusive)	5 %
" 10 " 20	7·5 "
" 20 " 30	10 "
" 30 " 40	12·5 "
" 40 " 50	15 "
" 50 " 60	17·5 "
" 60 " 70	20 "
" 70	25 "

Scale C.

1. Fixed royalty at 2½ % on the sale value of gold & silver
2. Additional Sliding Scale

When the total amount of net profits is.	% of net profits payable to Govt is.
up to £ 5,000.	2·5 %
Above £ 5,000 up to £ 10,000	5 "
" £ 10,000 " £ 20,000	7·5 "
" £ 20,000 " £ 30,000	10 "
" £ 30,000 " £ 40,000	12·5 "
" £ 40,000 " £ 50,000	15 "
" £ 50,000 " £ 60,000	17·5 "
" £ 60,000 " £ 70,000	20 "
" £ 70,000 " £ 100,000	25 "
" £ 100,000 and more	30 "

A. M. Lee 7.4.34

Director,
Mysore Geological Department.

Statement B. — Comparison between different Scales

Sale Value	Net profits	P.C of profits to Sale Value	Scale A S. Africa	Scale B. 2½% of Sale Value +		Scale C 2½% of sale Value +		Existing Scale for New Mines	
£ 100,000	£ 5,000	5	£ 125	£ 2,500 + 500	£ 3,000	£ 2,500 + 125	£ 2,625	No royalty, when no profits. When profits do not exceed £ 25000 Royalty is £ 5000 at 5%. when profits exceed £ 25000/-, royalty amounts to	
	10,000	10	250	- - -	- - -	" + 500	3,000		
	20,000	20	1,000	" + 1,500	4,000	" + 1,500	4,000		
	30,000	30	3,000	" + 3,000	5,500	" + 3,000	5,500	£ 5000 + 250	£ 5,250
	40,000	40	5,000	" + 5,000	7,500	" + 5,000	7,500	" + 750	5,750
	50,000	50	7,500	" + 7,500	10,000	" + 7,500	10,000	" + 1,250	6,250
	60,000	60	10,500	" + 10,500	13,000	" + 10,500	13,000	" + 1,750	6,750
	70,000	70	14,000	" + 14,000	16,500	" + 14,000	16,500	" + 2,250	7,250
	100,000	100	(Not Known)	" + 25,000	27,500	" + 25,000	27,500	" + 3,750	8,750

7.4.34

Director,
Mysore Geological Department.

WLH

Personal

Gpl. 48-33-5

MESSRS. JOHN TAYLOR & SONS' COMMITTEE.

Oorgaum,

27th March 1934.

Dear Mr. Matthan,

Referring to our conversation yesterday on the subject of the possible reopening and working of gold bearing properties in the State away from the Kolar Gold Field I mentioned to you that there had been some recent conversation on the matter with the Dewan when he invited Messrs. John Taylor and Sons to formulate fresh proposals as regards the terms on which suitable leases might be granted.

The draft proposal which was recently made by Mr.Kenneth Taylor before he left does not appear to have been acceptable and in view of this I have been studying the question again in an endeavour to arrive at a basis upon which Messrs. John Taylor & Sons could work out an acceptable scheme. It seems to me however that it will be difficult to make any progress until the question of the basic royalty which Government requires is settled.

The precedent ruling in the State for basic royalty on Gold Mines' production is 5 % and the question is whether Government will insist upon that or whether they would be prepared to consider some reduction or an alternative.

So far as we all know there is no reason to suppose that further work is going to find another Kolar Gold Field and Messrs. John Taylor & Sons have not approached the question from that point of view. What has been done is to examine the available particulars of known gold occurrencies in the State to see if the present price of gold would not

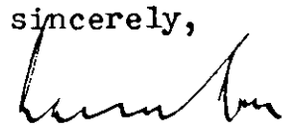
justify a further attempt to work some of them and as I understand the situation, there are one or two properties upon which a certain amount of expenditure might be justified, although the possible profit might represent only a narrow margin between the value of gold won and the cost of obtaining it as compared with the wider margin which used to exist on the Kolar Gold Field. It can therefore be understood that whereas when there is a wide margin of profit the incidence of every one per cent more or less of basic royalty might not be a vital factor as regards the difference between profit and loss it could be a vital factor when working on a narrow margin. I therefore put it this way that on the assumption that there might be some gold properties in the State from which profit could be squeezed with the present price of gold the number of such properties must diminish according as the basic royalty is scaled up arriving rapidly at a vanishing point if the basic royalty were set high enough. The inference is that the basic royalty should be set as low as possible even to its entire elimination if considerations of policy permit.

Once the question of the basic royalty is fixed then it would be possible for Messrs. John Taylor & Sons to examine the potentialities of any properties and to come to a decision as to which of them if any show a possibility of being worked at a profit and it would be according to such possibilities that the terms of a proposal would be worked out. I envisage as you will see a progress by stages, the first stage being a decision by Government on the basic royalty question, the second stage being the consideration by Messrs. John Taylor & Sons of the possibilities and the third stage that of negotiation of terms of participation with Government.

If I could ascertain Government's views on the first stage before I leave next week it would be helpful as I

regard it as an essential preliminary before endeavouring to push forward to the second stage after my arrival in London.

Yours sincerely,



Rajamantrapravina

Diwan Bahadur K. Matthan, B.A.,

Member of Council,

Bangalore.

No. D 4896 Gad. 48-33.

Ralph Nye, Esq.,
C/o Messrs. John Taylor & Sons,
6 Queen Street Place,
London, E.C.

Dear Sir,

With reference to your letter of the 27th March 1934 addressed to the First Member of Council on the subject of the terms of Mining leases for the opening of new Gold Mines in the State, I am directed to state that while the practice in the Stat has been to levy a basic royalty of 5 per cent on the gold produced together with a percentage on dividends on a flat rate or on a sliding scale, the Government would have no objection to consider terms of royalty based on net profits only, without levying a basic royalty as in the case of case of the Kolar Mining leases; but in such cases the State will naturally claim a comparatively larger percentage of the profits. A sliding scale based on a minim of about 15 per cent of the net profits could be considered, the lease to be for a period of 15 or 20 years at the outside

On the other hand Messrs. John Taylo & Sons would prefer to work on a basic royalty of 2½ per cent together with additional royalty in the form of a percentage on net profits as suggested in Mr.Kenneth Taylor's letter of the 31st January 1934 addressed to the Dewan, Government would be prepared to consider that also if a specific proposal is made in regard to the rate of additional royalty The Government are disposed to think that the additional royalty should be on a sliding scale

Geol. 48-33-7

TELEPHONE Nº
CENTRAL 2426.

6 Queen Street Place,
London,
E.C.4.

3rd May 1934.

DEVEL... 21. MAY 1934

4192 4559

GEN... 21 MAY 1934 DEVELOPMENT BR

DEWAN'S OFFICE
6 JUNE 1934
No. 7206

The Secretary to
The Government of Mysore,
Development Department,
Bangalore.

Dear Sir,

I beg to acknowledge receipt of your D.O. D 4896/ Geol.48-33-6 dated 12th April on the subject of the terms of Mining leases for the opening of new Gold Mines in the State and to notify you that I have informed Messrs. John Taylor & Sons thereon, and they will take up consideration of the matter at once with a view to submitting proposals at an early date.

Yours sincerely,

OFFICE OF THE
FIRST MEMBER OF COUNCIL
1 JUNE 1934
No. 9391

or info:
Dewan
31/5
8516134
7-6-34
7.6.34

JOHN TAYLOR & SONS.
TELEGRAPHIC ADDRESSES,
INLAND TELEGRAMS:-
"ROLYAT, CANNON, LONDON."
CABLEGRAMS:-
"ROLYAT, LONDON."
TELEPHONE, CENTRAL 2426.
(4 LINES)
KENNETH BARING TAYLOR
SYDNEY ENFIELD TAYLOR

4795

By Air mail.

6, Queen Street Place,
London, E.C.4.

25th May 1934.

From
Messrs. John Taylor & Sons,
6, Queen Street Place,
London, E. C. 4.

To
— M. Venkatanaranappa-Esq., B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
BANGALORE.

Dear Sir,

D.4896
Referring to your letter of the 12th April, Geol.48-33-6 on the subject of the terms of the Mining Leases for the opening of new Gold Mines in the State, we have now completed our examination of the position, and have pleasure in submitting fresh proposals for the consideration of Government, taking the place of the preliminary proposals contained in Mr. Kenneth Taylor's letter of the 31st January last to the Dewan.

We have framed these proposals on lines that we hope will prove thoroughly acceptable to Government, while providing sufficient inducement to shareholders to supply the capital for what must necessarily be essentially speculative undertakings.

The two alternative schemes suggested by Government are both based upon a participation in profits according to a sliding scale. A scale solely based and calculated upon dividends was

discarded in the case of the Kolar leases for various reasons which doubtless still hold good. Equally the use of the rate per cent of dividend figure as the basis for fixing the rate of participation as in the Kolar leases would seem inapplicable to new ventures where it is impossible to forecast the rates of possible dividends or capital requirements. It would seem better, in the circumstances, to base the scale more according to the South African practice where the basis is the ratio which Profits bear to Income or Revenue. This is equivalent to a scale which rises with the profit per ounce of gold recovered, and provides a basis which allows for fluctuations in cost, richness of the ore and the price of gold. Our suggestion therefore is that the sliding scale should be based on the profit realized per ounce of gold.

In settling the assessment of the "profit" on which the participation will be calculated, we follow the precedent of "adjusted profits" as used in the Kolar lease terms.

As regards the sliding scale of royalty upon the net profits, the scale must be adapted to the condition that we are not now dealing with established Mines of a proved profit earning capacity, but with properties of untested capacity, the proving of which as profitable enterprises is highly speculative and will carry the certainty of losses in some directions, only to be retrieved from profits in others. It is essential, therefore, in order to attract the requisite

capital, that the measure of possible profit which may accrue to those who provide it, be fixed on a more generous scale than in the case of the Kolar Mines where there is not the same risk.

With this essential factor before us, we have found it difficult to arrive at a fair scale of participation with a minimum as high as 15%., and we have experimented with many tables of rates in an endeavour to find one which will be sufficiently attractive to the capitalists and yet reserve to Government their full share in any prosperity which they are entitled to demand. We have found the main difficulty to lie in the lower ranges of the scale, because whilst no one will object to Government taking a substantial share in the higher ranges, the prior claim, until substantial profits are earned, is that of "capital", which is entitled to a reasonable return before the participatory stage is entered upon.

There is the possibility of a prolonged first stage of small profits during which Government's participation in profits would be of small value. We have, therefore, come to the view that the situation will best be met by a partial incorporation of the system of paying royalty on proceeds but to the extent only of using it as a means of ensuring some initial certain return to Government from any gold which may be found, and our suggestion is that whatever amount may become due to Government under the profit sharing scale shall

not be less in any event during the first five years of working than 2½% of the proceeds of sales. As against this, we propose that Government's minimum participation be lowered to 10% instead of 15%.

Our complete proposal is set out in the Memorandum attached to this letter, and reference may shortly be made to the other conditions apart from the lease terms.

GENERAL CONDITIONS.

The proposition is that an exclusive three years option should be granted to prospect for gold throughout the State, with the right to a lease or leases on the agreed terms over any area or areas selected during that period.

[The period is set at three years as it would be difficult, if not impossible, to do full justice to the territory involved in any lesser period. The period of the first prospecting, followed by the period of proving initial discoveries, quickly passes, and much of the inducement to take up the work would disappear if there were the possibility of results being lost through insufficiency of time for exploration and adequate investigation.] At the same time, we hope it will be possible that our investigations will justify our taking up a lease on one or more properties and proceeding to develop them well before the expiry of the three years' period.

LEASE PERIOD.

In our opinion, the term of 15 years suggested by

Government would be entirely inadequate. In South Africa mines are held for the whole period of the life of the mine; in other countries where there are shorter periods, there is an accepted right of renewal. We can see no objection on the part of Government to a period of 30 years having regard to the proposed high participation in profits when the profits are high. To curtail the period within which profits may be (but not necessarily will be) earned to anything less than 30 years, will be considered so unreasonable by prospective capitalists that it would make it impossible for us to proceed further with the proposal.

We trust that Government may accept these proposals as a basis for agreement. when as regards the discussion and settlement of any details it had been our intention to take this up at the time of our next visit to Kolar, but it is now evident that this would be delaying matters unduly, having regard to the desirability of getting to work as soon as possible whilst the present favourable conditions continue, and if Government are agreeable, we could arrange for Mr. R. Nye to come out to India in July with a view to arriving at a final understanding. We would ask you to kindly inform us by cablegram at Government's earliest convenience, if the suggestion is agreeable to them.

We are, Dear Sir,
Yours faithfully,

John Taylor & Sons

MEMORANDUM OF THE PROPOSED LEASE TERMS.

The Government of Mysore to participate in the profits of any year for which a dividend is paid according to the following scale, but subject to a minimum amount during the first five years of working of a sum equivalent to 2½% on the nett proceeds of all gold sales.

S C A L E.

When the profit per ounce of gold is:-	Government's participation in the profits to be:
Up to and including 30s/-	10%
Over 30s/- up to and including 35s/-	11%
" 35s/- " " " 40s/-	12%
" 40s/- " " " 45s/-	13%
" 45s/- " " " 50s/-	14%
" 50s/- " " " 55s/-	15%
" 55s/- " " " 60s/-	16%
" 60s/- " " " 65s/-	17%
" 65s/- " " " 70s/-	18%
" 70s/- " " " 75s/-	19%
Over 75s/-	20%

DEFINITION OF PROFITS.

Profits to be the difference between the Gross Revenue and the Working Expenses both in India and London before debiting any amounts in respect to Depreciation, Transfer to Reserve, Income Tax, Losses of Capital or any other items not commonly regarded as Working Expenses, but after adding to the Working Expenses 15% thereof on account of provision for Depreciation and Capital Expenditure. The amount to be certified to by the Company's Auditors whose decision in respect to the propriety of any items included in or extracted from the assessment shall be final.

Profit per ounce of gold to be the result of dividing the Profits by the number of ounces of gold realized.

Cable Gram

Rolyat

Secl-128-33. 9

John Taylor and Sons

~~6, Queen's street Place~~

LONDON E.C.4

Your letter twenty fifth May about leases for new gold mines stop Terms proposed not acceptable stop It would facilitate early decision if you send Mr. Nye out in July

~~Development Secretary~~

Dev Sec

Not to be cabled

18/6/34.

for Secretary to Government,
Development Department
Mysore State

FS/-.
24
61.

61 :20
-cx 40
85
17

1320
17 = 72

80 Feol 48-33-6

JOHN TAYLOR & SONS.
TELEGRAPHIC ADDRESSES,
INLAND TELEGRAMS:-
"ROLYAT, CANNON, LONDON"
CABLEGRAMS)
"ROLYAT, LONDON"
TELEPHONE, CENTRAL 2426.
(4 LINES)
KENNETH BARING TAYLOR,
SYDNEY ENFIELD TAYLOR.

GEN. & REV. SECRETARIAT
- JULY 1934
DEVELOPMENT BRANCH

6, Queen Street Place,
London, E.C.4.
21st June 1934.

Immediate
7.7.34.

From
Messrs. John Taylor & Sons,
6, Queen Street Place,
London, E. C. 4.

To
M. Venkatanaranappa Esq., B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
BANGALORE.

Dear Sir,

We are duly in receipt of your cablegram dated Mysore the 18th instant reading:-

"Your letter twentyfifth May about leases for new gold "mines - stop - Terms proposed not acceptable - stop - it "would facilitate early decision if you send Mr. Nye out "in July".

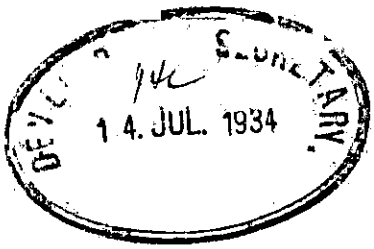
We had hoped that Government would have found our proposals, which were made after the closest consideration of the whole issues, acceptable in their main lines, and we shall await with interest the receipt of Government's views.

In the meantime we note that it would facilitate an early decision if Mr. Nye should come out soon, and we shall be writing to you regarding this at an early date.

We are, Dear Sir,
Yours faithfully,
John Taylor & Sons

DUPLICATE.

125



21st June 1934.

From

Messrs. John Taylor & Sons,
6, Queen Street Place,
London, E. C. 4.

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M. Venkatanarasappa Esq., B.A.,
Secretary to Government Development Department,
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We are, Dear Sir,
Yours faithfully,

JOHN TAYLOR & SONS.

Appendix F G—1]

SUBJECT .....

.....

.....

Section Genl

File No. 48—37

Serial No.

Diary No. of letter replied to .....

No. 1654

To The Clerk Inspector of Mines & Explosives

General and Revenue Secretariat

( )

the *193* .

Date of issue 25/7/34

Signed by .....

Dear Sir

I am desired to request you to kindly make it convenient to meet the Hon'ble Member of Council (will be glad to meet you in his Chambers) in the Public Offices, Bombay at 3 P.M. on ~~any~~ to discuss certain matters relating to the Mines offered by Messrs John Taylor & Sons for gold mining in new areas in the State.

(when date to be fixed) on Monday, the 30th or 31st on Tuesday, the 31st July 1934

List of enclosures .....

Y. S.

Copied by .....

28/7/34

Examined by .....

D. O. No. D 654 Fe 48-33

GENERAL AND REVENUE SECRETARIAT

Dated, Bangalore, 28th July 1934.

Dear Sir,

The First Member of Council will be glad to meet you in his Chambers in the Public Offices, Bangalore, at 3 P.M. on Monday the 30th or on Tuesday the 31st July 1934 to discuss certain matters relating to the terms offered by Messrs. John Taylor and Sons for gold mining in new areas in the State.

Yours sincerely,

C.E.Suryanarayana Rao, Esq., Mem., A.I.M.E., etc.
Chief Inspector of Mines and Explosives,
K.G.F. Ooragaum.

JOHN TAYLOR & SONS.
TELEGRAPHIC ADDRESSES.
INLAND TELEGRAMS:-
"ROLYAT, CANNON, LONDON."
CABLEGRAMS:-
"ROLYAT, LONDON."
TELEPHONE, CENTRAL 2426.
(4 LINES)
KENNETH BARING TAYLOR
SYDNEY ENFIELD TAYLOR

6, Queen Street Place,
London, E.C.4. 12th. July 1934.

Gen 48-33-14

28.7.34

396
28 JULY 1934
DEVELOPMENT BRANCH

From
Messrs. John Taylor & Sons,
6, Queen Street Place,
London. E.C.4

To
M. Venkatanaranappa Esq, B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
BANGALORE.

Dear Sir,

We wrote to you last on the 21st. ultimo in reference to the question of leases for new Gold Mines and informed you that the subject matter of your cablegram of the 18th. idem was receiving our consideration.

Since then it has been arranged for Mr. Nye to come out to see Government in connection with the documents pertaining to the recent settlement for the renewal of the Kolar mining leases so that he can conveniently take that opportunity to discuss this other question. In the meantime as we are unaware of the particular grounds for Government's non-acceptance of our proposals we will refrain from pursuing the matter further in this letter trusting that an early understanding may be arrived at after Mr. Nye's arrival.

We are, Dear Sir,
Yours faithfully,
John Taylor & Sons

D. M. E. 31.]

Telegraphic address:
"MINESPECTOR."

DEPARTMENT OF MINES AND EXPLOSIVES.

OFFICE OF THE CHIEF INSPECTOR OF MINES
IN MYSORE.

Dated, Oorgaum, 29th July 1934.

D.O.No. 227

403

Dear Sir,

As desired in your D.O.letter No.D.564/Geol. 48-33 dated the 28th July 1934, I shall meet the First Member of Council in his Chambers at 3 p.m. on Tuesday the 31st July 1934 to discuss matters relating to the terms offered by Messrs. John Taylor & Sons' for gold mining in new areas in the State.

Please see P.U. also Reg. Para 5 & 6 abstract

Submitted for perusal. The Fl Secy will discuss with the 1st Member)

Secy 30/7/34

30.7.34

Yours sincerely,

C E Suryanarayanaiah

D.C. Subbarayappa, Esq., B.A., B.L.,
Under Secretary to the Government of Mysore,
General & Revenue Secretariat,
Bangalore.

30.7.34.

Submitted to the Financial Secy)

30/7

KP
30/7

OFFICE OF THE FIRST MEMBER OF COUNCIL
30 JULY 1934
No. 7.0.1.

D.1698

Mr. M. Venkatanaranappa, B.A.,
Secretary to Government,
Development Department.

GENERAL AND REVENUE SECRETARIAT,

Dated, Bangalore, 6th September 1934.

Geol 48-33-12

Dear Sir,

In the light of the discussions which took place in the Dewan's Chambers on the 29th August 1934 in regard to the terms on which leases for mining in new areas might be granted, I am desired to put forward the following two alternative schemes for the consideration of Messrs John Taylor and Sons' Committee. The details might be further examined

Scheme A :- A basic royalty of 2½ per cent on the gross value of gold produced, Government's participation in profits being regulated by a scale depending upon the average dividend declared during the previous period of five years. The rate thus arrived at would apply for the whole quinquennium. During the first five years, Government would obtain, under this scheme, no share in the profits.

The scale might be somewhat on the following lines:-

Average dividend declared during the last five-year period.		Government's share of net profits.
Under 10	..	Nil
15	..	5
20	..	7½
25	..	10

and so on, Government's share increasing by 2½% for every increase of 5% or under in the average rate of dividend.

Note:- 'Net profits' shall be taken to mean the excess of the revenue which is wholly derived from the sale of the mineral or minerals specified over expenditure after all costs and expenses chargeable to the actual working and management of the mine shall have been included. But neither depreciation nor amortization, nor Director's fees, nor any revenue or expenditure obtained or incurred on account of share or capital transactions, or by trading shall be brought into account, provided that the fees of such Director or Directors,

as may actually direct technical operations and are specifically denoted as Managing Director, or Directors, may be included in the expenditure

Scheme B :- In addition to a basic royalty of 2½ per cent, Government might be given 15% of the paid-up shares in the new companies to be formed with the same percentage assured to them for any increased issue of capital.

You will notice that the rates now put forward are slightly higher than those suggested by you during the course of the discussion. Government, on further consideration, are of opinion that the rates suggested during the discussion have to be slightly increased in view of the low basic royalty, the non-participation in profits in scheme A, until a dividend of 10 per cent is paid to the shareholders and also of the lag between increased profits and Government's participation in the increase.

In regard to the period of lease, it was observed by Government that a period of twenty years would be the maximum, but you felt that intending investors would like to have a longer period. If the Government's participation in profits is on a scale considered satisfactory, there would be no objection to a lease for thirty years.

As regards current leases for the mining of gold, it has been ascertained that no leases have been given beyond the Kolar Mining Group except in one case to Haji Sir Ismail Sait.

Yours sincerely,

To

Ralph Nye, Esq.,
Executive Member of Messrs John Taylor and Sons' Committee,
Oorgaum, (K G. F.)

INDIAN POSTS AND TELEGRAPHS DEPARTMENT 20

NOTICE.

This form must accompany any inquiry made respecting this Telegram.

Charges to pay.	
Rs.	As.

Office Stamp

Handed in at (Office of Origin)	Date.	Hour.	Minute.	Service Instructions.	Words.
Mankuppam		6	9/50		20

TO K Mathan Esq
1-st Councillor Bangalore

Trust I may receive by tomorrow Government letters on questions under discussion to enable me pass same london next airmail

z Ralph Rye

N. B.—The name of the Sender, if telegraphed, is written after the text.

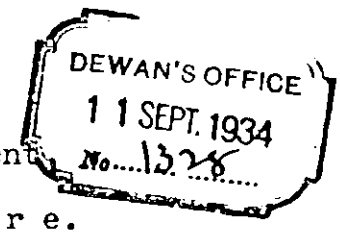
Karim Bux Bros. Printers, Calcutta—344 (P-54)—28-6-32—29,104 Bks.

C/o

MESSRS. JOHN TAYLOR & SONS' COMMITTEE,
OORGAUM,
SOUTH INDIA.

1260 7th Septr. 1934.

M. Venkatanaranappa, Esq., B.A.,
Secretary to Government,
Development Department,
B a n g a l o r e.



Geol 48-33-13

Dear Sir,

I beg to acknowledge receipt of your letter D.1698 of the 6th instant in regard to the terms on which leases for mining in new areas, ~~are~~ may be granted. I thank you for supplying particulars of the two alternative schemes which I am forwarding at once to Messrs. John Taylor & Sons, London.

Yours sincerely,

For perusal
Hon'ble
Hon'ble Sir. Seeny
Dewan

8.9.34

8/9.

11/9

13.9.

JOHN TAYLOR & SONS.

Geol. 48-33-11 B 4606

REV. SECRET. 1.4. 1935

DEVELOPMENT BRA

O.

Copy by Air

22nd March, 1935.

M. Venkatanaranappa, Esq., B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
BANGALORE.

Dear Sir,

We beg to refer to your letter D. 1698, dated Bangalore, 6th September, 1934, addressed to Mr. R. Nye at Kolar, in which you put forward certain suggestions in regard to the terms on which leases for mining in new areas might be granted by Government.

We now have the pleasure to inform you that as the result of prolonged negotiations with our associates and friends, we are at length assured of the requisite financial support for the furtherance of our comprehensive Scheme for the development of gold mining in Mysore and Southern India generally. We should have preferred to have reached this position earlier, but the speculative nature of the enterprise, and the counter attraction offered by fresh discoveries in other parts of the world has necessarily made the negotiations somewhat difficult.

The proposal is to form a Mining Finance Company, with available funds of £250,000, of which a large part will be allotted to exploration and prospecting work in Mysore, and the remainder will be reserved for other mining enterprise in Southern India, in which the Company will be interested.

The cash resources will be ample for the purpose and for the bringing of any suitable areas to a stage when separate working Mining Companies can be constituted to bring them into production. Such separate Mining Companies will have their own independent Capital structures, and will each be solely responsible for the further working of the Mine or Mines which they will have been formed to acquire.

So far as concerns the Government of Mysore, we now propose:-

First. That Government should grant a special prospecting licence for gold and silver to the Mining Finance Company, which would be issued in the first instance to the preliminary syndicate, Indian Mines Development Syndicate, Limited, with power to assign to the Mining Finance Company as soon as the latter has been constituted, but not later than six months from the date of the grant.

The licence to embrace the whole State other than the portion leased to the Kolar Companies, and to be for a

period of 3 years from the date of the assignment to the Mining Finance Company.

Second. That the Mining Finance Company shall commence at once a campaign of active prospecting and investigation, taking first the more promising prospects and gradually proceeding with the others but so that in any event any areas which are reported on unfavourably will be released forthwith and not held up pending the termination of the licence. During this period Government to be paid a royalty in respect to any gold or silver which may be recovered under the licence at the rate of 2½% of the sale value.

Third. The Government will agree to grant a lease or leases to any Mining Company which may be formed by the Mining Finance Company to work any property or properties where the preliminary work carried out by them shall appear to justify it.

The lease to be in accordance with Government's Statutory form adjusted in detail according as circumstances at the time will dictate. It should therefore be unnecessary now to schedule any particular form of lease to the special prospecting licence, provided that the terms governing the period of the lease and Government's royalty are settled.

In regard to the period of the lease the previously

mentioned term of 30 years is proposed for reasons which have been already explained to Government.

In regard to the Royalty terms, we have freely consulted our financial friends, and they favour proceeding under scheme B, (with some modification) as set out in your letter of the 6th September 1934. The view has been strongly held that with a basic royalty of 2½%, Government additional participation would be fully met by a 10% interest in shares, instead of the 15% interest which is stipulated for, and another point of variance is in the further stipulation that the same percentage of share interest be maintained in the case of any increased issue of Capital. The question of the percentage should be capable of settlement by mutual agreement, but we are advised that the stipulation that the same percentage be maintained in the event of any increased issue of Capital presents insuperable technical difficulty as it would involve the issue of Shares, for no consideration, which is not legal.

There are two ways of overcoming this difficulty and of attaining Government's objective. One method would be to secure to Government the right to take up for cash at par their percentage of any new shares which

would be issued in the case of an increased issue of Capital. Another method would be to create a special class of Share for Government which would carry with it the right to the agreed percentage of (a) any amount distributed as dividend irrespective of the amount of issued Capital and (b) any distribution of assets.

The second method may be preferred by Government seeing that it does not involve any payment as the first method does. In spite of this disadvantage, we should be inclined to favour the first method in that it maintains a complete community of interest between Government and the Shareholders and would make in that sense a better appeal to the shareholding public. It is open to Government to adopt wither course, and we shall await their decision.

The Royalty terms which we now therefore beg to submit for Government's consideration are then

During the prospecting period -

A Royalty of 2½% on the sale value of the gold and silver,

During the lease period -

A basic royalty of 2½% on the sale value of the gold and silver,

A free allotment of fully paid shares amounting to 10% of the issued Capital of any Company formed to

work the property which may be the subject of the lease, together with the right to take up (for cash at par) 10% of any new shares which may be issued as the result of any further issue of Capital of the said Company.

OR

A free allotment of the whole of the paid up shares of a certain class (to be described) in any Company formed to work the property which may be the subject of the lease, such shares to be collectively entitled to 10% of (a) any amount distributed in dividend, and (b) any distribution of assets.

We have explained earlier in this letter the cause for the delay in submitting our proposals, and we now beg to point out that further delay at this stage should be avoided if possible. If Government can see their way to make prompt reply it will be of great assistance, and in the event of a favourable answer we will at once take steps for our representative in India to consult with Government regarding the settlement of the form of licence and other documents.

Yours faithfully,

JOHN TAYLOR & SONS.

OMN TAYLOR & SONS.
DUPLICATE
Geol. 48-33-1A
GEN. & REV. SEC.
1 APR. 1935
DEVELOPMENT BRANCH
4607

22nd March 1935.

Copy by Air Mail.

H. Venkatanaranappa, Esq., B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
Bangalore.

Dear Sir,

In connection with our proposals for the further exploration of possible gold mining areas in the State, regarding which we are writing to you to-day, we may mention that in December last we instructed Mr. C. R. Valentin who is well known both to Government and ourselves, to make enquiries in regard to certain properties in the Shimoga district. Mr. Valentine is well acquainted with this district, and such additional information as he can supply will be useful to us in the negotiations with our financial friends here.

We had not contemplated that it would be necessary for Mr. Valentine to have an exploratory or prospecting licence, but we have recently heard from him

that he had found it to be so. If we had known that, we would have written beforehand and explained the situation, and we have pleasure in confirming that Mr. Valentine is acting on behalf of the Indian Mines Development Syndicate, Limited which is operating in this affair on our behalf. In so far as any licences may have been granted to Mr. Valentine or the Syndicate , the intention will be to relinquish them in due course for the purpose of including the territory in question in the proposed special licence which is now under discussion.

We are, Dear Sir,

Yours faithfully,

JOHN TAYLOR & SONS.

Appendix F. G.–1]

SUBJECT.....

.....

.....

Section. Gen

File No. 48–33

Serial No. 18

Diary No. of letter replied to.....

No. D 6383

To

Messrs John Taylors
6, Queen Street Place
London E.C.

General and Revenue Secretariat.

( )

the 193

Gentlemen

Date of issue 3. 4. 35

I am desired to acknowledge with thanks the receipt of your two letters dated 22/3/35 sent by air mail proposing certain terms for gold mining rights in new areas in the State and to state that the matter is receiving the attention of Govt.

Signed by M. V

Yours faithfully,

dcg 2/4/35

List of enclosures.....

Copied by.....

Examined by.....

GENERAL AND REVENUE SECRETARIAT 3rd April 1935

D. O. No. 0638 Dated, Bangalore

3. 4. 35

To

Messrs. John Taylor & Sons,
6, Queen Street Place,
L O N D O N. E.C.

Gentlemen,

I am desired to acknowledge, with thanks the receipt of copies of your two letters dated 22nd March 1935 sent by Air Mail proposing certain terms for gold mining in new areas in the State and to state that the matter is receiving the attention of Government.

Yours faithfully,

JOHN TAYLOR & SONS.
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INLAND TELEGRAMS -
"ROLYAT, CANNON, LONDON"
CABLEGRAMS:-
"ROLYAT, LONDON"
TELEPHONE, CENTRAL 2426.
(4 LINES)
KENNETH BARING TAYLOR, M.Inst.M.M.
SYDNEY ENFIELD TAYLOR, M.Inst.M.M.

13.4.35.

O.

Copy by Air

6, Queen Street Place,
London, E.C.4.

22nd March, 1935.

M. Venkatanaranappa, Esq., B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
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Dear Sir,

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There are two ways of overcoming this difficulty and of attaining Government's objective. One method would be to secure to Government the right to take up for cash at par their percentage of any new shares which

would be issued in the case of an increased issue of Capital. Another method would be to create a special class of Share for Government which would carry with it the right to the agreed percentage of (a) any amount distributed as dividend irrespective of the amount of issued Capital and (b) any distribution of assets.

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Yours faithfully,

John Taylor & Sons

H.

JOHN TAYLOR & SONS.
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CABLEGRAMS:-
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TELEPHONE, [redacted] CENTRAL 2426.
(4 LINES)
KENNETH BARING TAYLOR
SYDNEY ENFIELD TAYLOR

13.4.35

6 Queen Street Place,
London, E.C.4.

22nd March 1935.

Copy by Air Mail.

M. Venkatanaranappa, Esq., B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
Bangalore.

Dear Sir,

In connection with our proposals for the further exploration of possible gold mining areas in the State, regarding which we are writing to you to-day, we may mention that in December last we instructed Mr. C. R. Valentine, who is well known both to Government and ourselves, to make enquiries in regard to certain properties in the Shimoga district. Mr. Valentine is well acquainted with this district, and such additional information as he can supply will be useful to us in the negotiations with our financial friends here.

We had not contemplated that it would be necessary for Mr. Valentine to have an exploratory or prospecting licence, but we have recently heard from him

that he had found it to be so. If we had known that, we would have written beforehand and explained the situation, and we have pleasure in confirming that Mr. Valentine is acting on behalf of the Indian Mines Development Syndicate, Limited which is operating in this affair on our behalf. In so far as any licences may have been granted to Mr. Valentine or the Syndicate the intention will be to relinquish them in due course for the purpose of including the territory in question in the proposed special licence which is now under discussion.

We are, Dear Sir,

Yours faithfully,

John Taylor & Sons

Geol 48-33-19.

Bn / Air Mail

No 120/34-35/Pers

9. 6. 1935

To

Messrs. John Taylor and Sons,

6, Queen Street Place,

London E.C. 4.

Gentlemen,

With further reference to your two letters of the 22nd March 1935, ~~regarding the terms for gold mining in new areas in the State~~, I am directed to state that Government generally approve of your proposals for the development of gold mining in Mysore. After a careful consideration of all the points urged by you in regard to royalty, Government have come to the conclusion that the alternative scheme on page 6 of your letter is the most suitable under the circumstances but regret they cannot agree to the additional royalty being reduced to 10%. In view of the low basic royalty and the Government foregoing the possibility of their having a larger share with increased profits. ~~when the profits are high,~~ their participation will have to be ~~they feel that a share of~~ 15% ~~is not too high~~ and trust that you will agree with them.

You do not refer to the various fees payable during the period of prospecting; ~~but~~ under the Mineral Concession Rules in force in Mysore, payments will have to be made during the currency of a prospecting license as per details given below:--

(1) An application fee at Rs.25 for the square mile and Rs.5 for each additional square mile. For an area of ~~29,000 sq.~~ miles ~~this would be about~~ Rs.1,45,000;

(2)

(2) A deposit of Rs.400 per sq. mile;

(3) Rent.- a minimum of Rs.40/- per square mile in the first year, Rs.80/- per square mile in the second year and Rs.120/- in the third year.

As a strict enforcement of these payments would amount to a prohibitive figure for a prospecting license covering the whole State, Government are prepared to ~~offer~~ reduce the fees the following ~~special~~ concessions:

(1) an application fee of Rs.25 for the first square mile and 2 annas (instead of Rs.5) for each additional square mile ~~i.e.,~~ about Rs.3,500/-;

(2) a rent of Re. 1 per square mile for the first year, Rs.2 in the second year and Rs.3 in the third year; ~~i.e., Rs.29,000 for the first year.~~ The amounts for the succeeding years will probably be much smaller, as ~~they~~ will rapidly relinquish unwanted areas.

(3) ~~Government will also be glad to~~ waive the deposit of Rs.400/- per square mile ~~referred~~ will be waived to above on your giving an assurance that pits and excavations ~~are~~ will properly filled up or fenced, after work is over the above terms as to prospecting licenses

~~You will no doubt realise that these terms are very moderate and favourable~~ and have been ~~designedly kept~~ fixed as low as possible ~~low~~ in order to ~~save~~ avoid further correspondence.

I am further to add that Government ~~will be glad if,~~ Expect that if eventually a mining lease or lease ~~when the work is actually put~~ on hand, you will kindly see your way to employ competent local people on a large scale as possible.

when not, the employment of competent local people will be kept in view

I have &c.,

Secretary to Government,
Development Department.

Copy to the Director of Geology and Chief Inspector of Mines.

(1) (2)

for 9/6/35

Fair draft

Govt 48-39-19

No. 120/84-35/Pers

9th June 35

BY AIR MAIL.

M. Venkatanaranappa, Esq., B. A.,

Development Department,

Messrs. John Taylor and Sons,
No.6, Queen Street Place,
London, E. C. 4.

xxx

Gentlemen,

With further reference to your two letters of the 22nd March 1935, I am directed to state that Government generally approve of your proposals for the development of gold mining in Mysore. After a careful consideration of all the points urged by you in regard to royalty, Government have come to the conclusion that the alternative scheme on page 6 of your letter is the most suitable under the circumstances but regret they cannot agree to the additional royalty being reduced to ten per cent. In view of the low basic royalty and the Government foregoing the possibility of their having a larger share with increased profits, their participation will have to be fifteen per cent.

You do not refer to the various fees payable during the period of prospecting. Under the Mineral Concession Rules in force in Mys payments will have to be made during the currency of a prospecting license as per details given below:--

(1) An application fee at Rs.25 for the first square mile and Rs.5, for each additional square mile;

(2) A deposit of Rs.400/- per square mile; and

(3) Rent.- A minimum of Rs.40/- per square mile in the first year, Rs.80/- per square mile in the second year and Rs.120/- in the third year.

As a strict enforcement of these payments would amount to a prohibitive figure for a prospecting license covering the whole stat

Government

Government are prepared to reduce the fees as follows:--

(1) An application fee of Rs.25/- for the first square mile and 2 annas (instead of Rs.5/-) for each additional square mile;

and (2) A rent of Re.1/- per square mile for the first year, Rs.2/- in the second year and Rs.3/- in the third year.

(3) The deposit of Rs.400/- per square mile referred to above will be waived on your giving an assurance that pits and excavations will properly be filled up or fenced, after work is over.

The above terms as to prospecting license fees have been pitched as low as possible in order to avoid further correspondenc

I am further to add that Government expect that if - - eventually a mining lease or leases be taken out, the employment of competent local people will be kept in view.

I have the honour to be,

Gentlemen,

Your most obedient servant,

Secretary to Government,
Development Department.

Gen 48-33-20

354

JAIL & REV. SECRETARIAT
23 JULY 1935
DEVELOPMENT BRANCH

JOHN TAYLOR & SONS,
TELEGRAPHIC ADDRESSES
INLAND TELEGRAMS:-
"ROLYAT, CANNON, LONDON"
CABLEGRAMS:
"ROLYAT, LONDON"
TELEPHONE [redacted], CENTRAL 2426.
(4 LINES)
KENNETH BARING TAYLOR.
SYDNEY ENFIELD TAYLOR.

6 Queen Street Place,
London, E.C.4.

O.

By Air Mail

28th June, 1935.

M. Venkatanaranappa, Esq., B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
Bangalore.

Sir,

We have the honour to acknowledge receipt of your letter, No. 120/34-35/Pers. dated 9th instant in which you indicate the terms and conditions on which Government will be prepared to accept our proposals for the development of gold mining in Mysore. The terms follow in the main the alternative proposals which were contained on page 6 of our letter of the 22nd March, the change being in the rate per cent of Government's participation from 10 to 15%. We have given this question our close consideration and having regard to the desirability of avoiding further delay, and with appreciation of Government's concessions in regard to the various fees payable during the period of prospecting, we have pleasure in agreeing to Government's terms, which we herewith accept on behalf of the Indian Mines Development Syndicate, the Directors of which are

the Chairman of the Mysore and Ooregum Companies, the Chairman of the Nundydroog Company, and Mr. Kenneth Taylor.

We have in preparation a draft document embodying the terms agreed to, and we hope to be able to send this forward for Government's consideration in the course of next week. The document will be based on the standing form of Prospecting Licence, scheduled to the Rules for the Grant of Exploring and Prospecting Licences and Mining Leases in the State of Mysore, and the alterations will be reduced to the minimum consistent with the changes due to the special nature of the Agreement

We can assure Government that in the event of mining leases being taken out, the employment of competent local people will be kept prominently before us.

Yours faithfully,

John Taylor & Sons

Geol 48-33-20. DUPLICATE.

JOHN TAYLOR & SONS.

162 - 8 JULY 1935

O.

28th June, 1935.

By Air Mail

H. Venkatanaranappa, Esq., B.A.,
Secretary to Government Development Department,
General and Revenue Secretariat,
Bangalore.

Sir,

We have the honour to acknowledge receipt of your letter No. 12/34-33/Pers. dated 5th instant in which you indicate the terms and conditions on which Government will be prepared to accept our proposals for the development of gold mining in Mysore. The terms follow in the main the alternative proposals which were contained on page 6 of our letter of the 22nd March, the change being in the rate per cent of Government's participation from 10% to 15%. We have given this question our close consideration and having regard to the desirability of avoiding further delay, and with appreciation of Government's concessions in regard to the various fees payable during the period of prospecting, we have pleasure in agreeing to Government's terms, which we herewith accept on behalf of the Indian Mines Development Syndicate, the Directors of which are

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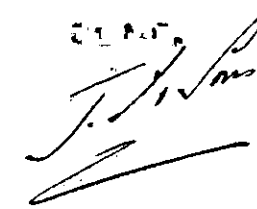
We have in preparation a draft document embodying the terms agreed to, and we hope to be able to send this forward for Government's consideration in the course of next week. The document will be based on the standing form of Prospecting Licence, scheduled to the Rules for the Grant of Exploring and Prospecting Licences and Mining Leases in the State of Mysore, and the alterations will be reduced to the minimum consistent with the changes due to the special nature of the Agreement.

We can assure Government that in the event of mining leases being taken out, the employment of competent local people will be kept prominently before us.

Yours faithfully,



LW.

Geol 48-33-21

353

JOHN TAYLOR & SONS.
TELEGRAPHIC ADDRESSES.
INLAND TELEGRAMS -
"ROLYAT, CANNON, LONDON"
CABLEGRAMS-
"ROLYAT, LONDON."
TELEPHONE [redacted] CENTRAL 2426.
(4 LINES)
KENNETH BARING TAYLOR.
SYDNEY ENFIELD TAYLOR

6, Queen Street Place,
London, E.C.4.

11th July 1935

GEOL. & MIN. SECRETARIAT
23 JULY 1935
DEVELOPMENT BRANCH

M. Venkatanaranappa, Esq., B.A.,
Secretary to the Government of His Highness of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

Sir,

We have the honour to refer to our letter of the 28th ultimo, and to inform you that the draft document referred to therein has been completed and is being forwarded by this mail to our Solicitor; Mr. Small of Messrs. King & Partridge (incorporating Messrs. Moresby & Thomas) for presentation to Government and with instructions to discuss all points with you. Mr. Small will have authority to dispose of the matter on behalf of Indian Mines Development Syndicate Ltd., as soon as agreement is come to.

We have adopted this course of procedure in place of sending the document to you direct in the desire to avoid delay in correspondence and in the expectation that it will facilitate early disposal. We trust this will be agreeable to Government.

We have the honour to be,
Your obedient Servants,

John Taylor & Sons

KING & PARTRIDGE,
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S.

TELEPHONE NO. 3911. (2 LINES)
POST BOX NO. 121.

Geol 48-33-22

High Court Buildings,
Madras.

23rd July 19 35

24 JULY 1935
DEVELOPMENT BRANCH

From Messrs. King & Partridge,
Solicitors & Notaries Public,
High Court House, Madras.

To The Secretary to the Government of His Highness
The Maharajah of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

Sir,

The Indian Mines Development Syndicate Ltd. - Draft Prospecting Licence for Mysore State excluding lands leased to the Kolar Group of Gold Mining Companies -

With reference to the second paragraph of Air Mail letter dated the 28th ultimo from our clients Messrs. John Taylor & Sons to yourself on the above subject we beg to enclose for the consideration of your Government and your remarks the draft form of licence prepared by our clients on the basis of prior correspondence.

We trust that the draft will meet with the approval of Government so that necessary documents may be executed as early as possible to enable the Indian Mines Development Syndicate Ltd. to proceed with prospecting, and we shall be glad to have

an early opportunity of consulting with you on the matter.

We have the honour to be,
Sir,
Your obedient servants,

HMS/MRV

King & Partridge

No.

GOVERNMENT of His Highness the Maharaja of Mysol

Department of Geology.

SPECIAL PROSPECTING LICENSE.

(Pursuant to the Rules published with Notification No. G.25838 - Geol. 57-18-20, dated 12th May 1920 as herein modified the special sanction of the Government)

SPECIAL PROSPECTING LICENSE granted this day of 1935 by the Government of His Highness the Maharaja of Mysore to Indian Mines Development Syndicate Limited whose registered office is at No. 6 Queen Street Place in the City of London, England, hereinafter called the Licensee which expression shall be taken to mean the said Indian Mines Development Syndicate Limited its successors and assigns except where the context requires another or different meaning.

WHEREAS the Licensee has applied in accordance with the rules published under Notification No. G.25838 - Geol. 57-18-20, dated 12th May 1920, for a licence to prospect for minerals in the area described in Schedule A hereto. XXX

1. The Government of His Highness the Maharaja of Mysore hereby grant to the Licensee for a period of three years from the date hereof, license and liberty to prospect for such minerals as are generally or particularly described in Schedule B and to work, win, and carry away, as and for the Licensee's own use any or all of the minerals aforesaid, subject to the payment of the rent and royalties specified in Clause 2 hereof, and subject to the condition that the Government shall at all times during the term of the license have the right of preemption, at the fair market price for the time being, of the aforesaid minerals lying within the aforesaid area or elsewhere under control of the licensee.

2. The Licensee shall during the period of this License

pay rent to the Government at the following rates, namely, during the first year the sum of Rupees being one Rupee per square mile, during the second year two Rupees per square mile and during the third year three Rupees per square mile. The said rent shall be payable yearly in advance, the first payment to be made on the grant of this License. The amount of territory in respect of which rent is payable shall always be subject to the provisions of Clause 18 hereof but so that the Government shall not be liable to refund any amount paid in advance in the event of any territory becoming subject to a lease or being relinquished during the course of any year. In addition to the said rent the Licensee shall during the period of this License pay to the Government a royalty at the rate of 2½ per cent on the sale value of gold and silver.

3. This License and any lease granted hereunder is subject to any vested interests and to any rights and liberties which have been granted by Government in the said area, or in the gold, minerals, stones or rocks therein contained, prior to the date of the grant hereof.

4. The Licensee shall forthwith thoroughly and vigorously prospect and examine the said area, and make dig and carry out all necessary trenches, pits and such other works as are necessary or proper for the efficient prospecting thereof.

5. All operations under this License shall be conducted under such supervision and in accordance with such regulations as the Government may, from time to time, prescribe.

6. The Licensee shall, within six months next after the determination of the License or the date of the abandonment of any of the works undertaken thereunder, whichever shall first occur, securely plug any bores and fill up or fence any holes or excavations that he may have made in the land, to such extent as the Deputy Commissioner concerned, in consultation with an Inspector of Mines, may require and shall to the like

extent restore the surface of the land and all buildings thereon which the Licensee may have damaged in the course of prospecting; provided, that this clause shall not apply to any land held under a mining lease.

7. The Licensee shall keep proper accounts and plans and furnish to the Director, Department of Geology, full and correct information as to all minerals, stones and rocks found, or mined and raised in the course of operations under this license and as to the treatment, preparation and disposal of the same.

8. The Licensee shall afford any other information in connection with the said area and the works carried on there, and furnish any samples which the Government may ask for. The Licensee shall give every facility to the Government in inspecting the work carried on in the said area and in taking samples of minerals, stones and rocks found, mined, raised or being in or on the same area and any products obtained or prepared therefrom. The Government will pay a fair price for any samples of intrinsic value.

9. The Licensee shall permit the Government or any person duly authorised by Government to enter into and upon any land comprised in the said area, and to conduct prospecting and mining operations thereon in respect of minerals or other substances other than those specified in Schedule B hereto annexed, and also to carry out such works of public utility as may, in their opinion, be necessary or expedient, due compensation being paid to the Licensee for any interference with any rights granted hereunder or any loss or damage caused to him.

10. In the course of prospecting operations, no occupied or private lands shall be entered upon or disfigured nor shall any prospecting or mining operations be carried on vertically beneath the surface of any such lands unless the Licensee has acquired the surface rights or obtained the consent, by an agreement in writing, of the owner or occupier. A copy of

every such agreement shall be forwarded to the Amildar of the Taluk within which the land is situated.

11. The Licensee shall not enter upon or commence prospecting in any State Forest or land under special protection comprised in the said area, except in accordance with the rules for the conduct of prospecting and mining operations published under Government Notification No.R.10777 Ft. 81-08-6, dated 21st June 1909 as amended by Notification No.R.9048 - Ft. 43-14-14, dated 22nd March 1916.

12. The Licensee shall abstain from all interference with the free use of any tanks, water courses, sacred groves, burial grounds, village sites for houses or grazing lands, which may now exist in the said area, and in no way obstruct any road, path or by-way of any kind whatsoever in the said area, and will not do anything which may directly or indirectly injure in any way any occupied lands or villages, houses or other private property whether in the said area or adjoining thereto.

13. The Licensee shall make and pay reasonable satisfaction and compensation for all injury which may be done by the Licensee in exercise of the powers granted by the License and shall indemnify the Government against all claims which may be made by third parties in respect of any such damage or injury.

13 14. The Licensee shall not without the permission in writing of the Deputy Commissioner, cut or injure any trees or timber on unoccupied and unreserved lands other than brush-wood or undergrowth which may require to be cleared away as interfering with the due exercise of the rights, licenses and liberties hereby granted.

15. This License shall not be assigned nor any right or interest hereunder transferred without the consent in writing of the Government except to a Mining Finance Company formed within six months from the date hereof for the express purpose of acquiring this License.

16. If prospecting work is not commenced within nine calendar months from the date hereof and carried on to the reasonable satisfaction of Government, or if work is discontinued for any continuous period of six months during the currency of this License (including any period of renewal) or if there shall be any breach by the Licensee of any provision in this License contained, the License may be summarily revoked by Government and thereupon all rights conferred hereby or enjoyed hereunder shall cease.

17. If the Licensee discovers any mineral of value within the area specified in his License, the Licensee shall immediately report the discovery to the Director, Department of Geology. Failure to comply with this provision will render the License liable to be cancelled and the deposit ~~forfeited~~. If the mineral so reported is not one of those in respect of which the License has been granted, the Licensee may apply to the Director, Department of Geology, to have the said mineral added to those already specified in the License, and it shall be within the discretion of Government to accede to, or refuse the request, or to impose such special terms as they may think fit. As a rule and under ordinary circumstances, such requests will be complied with, provided that the rights sought to be secured in respect of the mineral applied for are freely at the disposal of Government.

Provided that if any mineral of value is known to occur on or within the area of a prospecting license the Government may, at their discretion, give the Licensee the option of having such mineral added to those specified in the Schedule to the License or may grant a prospecting License or mining lease in respect of such mineral to any person. As a rule and in the absence of special reasons, no prospecting or mining rights will be granted to more than one person on the same block though for different minerals.

18. The Licensee shall be at liberty at any time during the term of this License, to select for mining purposes a block or blocks of land each not exceeding 1,000 yards in length by 500 yards in breadth within the area to which this License applies, and shall be entitled to the grant of a mining lease or leases either to the Licensee or to a Mining Company or Mining Companies to be formed for the purpose of acquiring such lease or leases from time to time as the Licensee shall require in respect of the block or blocks so selected in respect of the mineral or minerals specified in Schedule B hereto subject to the payment of the rent and royalties including freeallotment of fully paid up shares specified in Schedule C and otherwise in accordance with the rules for the grant of mining leases in force on the date of application but so that the term of any such lease shall be for thirty years. ~~with a right for the lessee to require the same to be extended for a further period of thirty years subject to such rents royalties and other payments and such covenants agreements and conditions as shall be agreed upon between the Government and the Lessee at the time~~. Provided that the Government may refuse to include or grant mining rights in respect of any lands whether private, occupied or unoccupied within the selected block, which are, in the opinion of Government required, for any public purpose, the fruition of which would be impaired by the development of mining operations.

When such mining lease or leases has or have been granted this License shall immediately cease and determine so far as regards the area the subject of such lease or leases.

The Licensee shall be at liberty from time to time and at any time to relinquish any territory no longer required by the Licensee on giving notice to the Government to that effect and rent shall cease to be payable in respect of all territory so relinquished.

19. Whenever a bona fide application is received for the

grant for purposes of cultivation of any assessed unoccupied land comprised in the area covered by this License, the Licensee will be given the option of keeping the land for his benefit, if the licensee pays the assessment on the land for the year for which the license is granted, and if at the end of that year the Licensee wishes further to retain the land the Licensee will be permitted to do so on payment of such price for the occupancy as may be demanded from the Licensee in addition to the assessment. Otherwise the land will be disposed of under the ordinary darkhast rules.

S C H E D U L E A.

Lands comprised in this License.

The whole of the State of Mysore with the exception of that portion known as the Kolar Gold Field which means all areas in respect of which leases have been granted to The Mysore Gold Mining Company Limited, Ooregum Gold Mining Company of India Limited, Champion Reef Gold Mines of India Limited and Nundidroog Mines Limited.

Schedule B.

Minerals to be prospected for:-

Gold and silver.

Schedule C.

Rate of Royalty.	Time of payment.
(i) Rent.....Rupees per annum.	
(ii) Royalty - 2½ per cent on the sale value of gold and silver together with an amount equal to 15 per cent of the amount of all dividends (which expression shall include everything from whatever source and in whatever form distributed to the shareholders other than a return of capital) for any year (and so that if at any time a dividend shall be made payable free of income tax the gross amount of such dividend before deduction of tax shall for the purposes hereof be deemed to be the amount of the dividend).	

BY ORDER

DIRECTOR,

DEPARTMENT OF GEOLOGY.

DATED 1935

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE.

and

LAN MINES DEVELOPMENT
SYNDICATE LIMITED.

Draft. 10.7.35.

SPECIAL PROSPECTING LICENSE

MSN

HERBERT SMITH & CO.

62 London Wall, E.C. 2.

Appendix F G—1]

SUBJECT .....

.....

.....

Section Geol

File No. 48-37

Serial No. 23

Diary No. of letter replied to .....

No. A 541

To

Messrs Golden Taylor & Sons
6, Queen Street Place
London, E.C. 4.

General and Revenue Secretariat

( )

the *193* .

Gentlemen,

I am desired to

Date of issue 28/7/35

acknowledge, with thanks, the

Signed by [illegible]

receipt of your two letters dated
the 28th June and 11th July 1935
~~28/6/35 and 4/7/35~~ accepting
~~as~~ the terms & conditions
~~the terms~~ proposed by Govt
for the grant of licences and
leases for gold mining over
areas other than the K.G.F.

List of enclosures .....

Govt are glad to note
~~Your~~ assurance
~~Your~~ that in the event of mining
leases being taken out, the

Copied by .....

Examined by.....

employment of competent local

people will be kept prominently ~~for~~ in view. There are also agreeable to the

~~I am to add that the~~

procedure ~~adopted~~ by ~~Your Sir~~ I have pleasure in enclosing Messrs. King and Partridge's

~~receipt~~ the draft document embodying

the terms agreed to by your ~~which~~ solicitors and which is under examination

~~solicitors~~ and - when ~~I~~ we will communicate further

Messrs King and Partridge for I shall in due course

presentation ~~to Court in fact in~~ in person.

order

Yours faithfully

JW.

dcg

24/7/35

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. D 541 Dated, Bangalore, 25th July 193 5.

Ref 45-B-23

From

M Venkatasubbaraniappa Esq BA
Secretary to the Government of His Highness the Maharaja of Mysore,
Development Department.

To

Messrs. John Taylor and Sons,
6, Queen Street Place,
London, E.C.4.

~~Sir,~~

xxx

Gentlemen,

I am desired to acknowledge, with thanks, the receipt of your two letters dated the 28th June and 11th July 1935 accepting the terms and conditions proposed by Government for the grant of licenses and leases for gold mining over areas other than the Kolar Gold Fields.

I have since received from Messrs. King and Partridge the draft document embodying the terms, and this is under examination. We will communicate with Mr. Small in due course.

Yours faithfully,

(DW)

Secretary to Government,
Development Department.

vvk.2.

Appendix F. G.–1]

SUBJECT.....

Grant of renewal

Section. Genl

File No. 48–83

Serial No. 24

Diary No. of letter replied to.....

No. 1800

To

Messrs Kemp & Partridge
Solicitors & Notaries Public
High Court House
Madras

General and Revenue Secretariat.

( )

the *193*

Date of issue 5/2/35

Signed by Hon'ble Secretary

Gentlemen,

I am desired to with thanks acknowledge the receipt of your letter dated 23/1/35 forwarding for the consideration of Govt the draft form of mineral prospecting licence prepared by your clients in London & to state that the matter is receiving the attention of Govt and I expect to write to you shortly

Yours faithfully

List of enclosures.....

Copied by PSN 3.8.

Examined by.....

dcg 31/1/35

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat 3rd August 1935.

D. O. No. O. 1000 *Bangalore, Dated,* 5/8/35

MG-67-33-44

Gentlemen,

I am desired to acknowledge, with thanks, the receipt of your letter dated 23rd July 1935 forwarding, for the consideration of Government, the draft form of special prospecting license prepared by your clients in London and to state that the matter is receiving the attention of Government.

Yours faithfully,

To

Messrs. King and Partridge,
Solicitors and Notaries Public,
High Court House, Madras.

psk-2

G. R. S. App. F. G. 3.

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

3rd No D. 1534

Geol 48-33-25

7 6/9/35

To, Messrs Kaye & Partridge

Solicitors, Nairobi,

Gentlemen,

I am to refer you to my letter No: D 800/Geo 48-33-24 dated the 5th August 1935 acknowledging receipt of your letter of the 23rd July forwarding the draft form of the special prospecting licence prepared by your clients in London and to say that subject to what is hereinafter said, the draft appears to be generally suitable.

The ~~forwarded~~ formula regarding additional royalty suggested in Schedule C of the draft does not seem to be all right. What Govt proposed and your clients agreed to

Signed by me M.V.

V

MV

4/9/35

WD 0433—GPB—10,000—17-10-33

was that Govt should get a free allotment of the whole of the paid up shares of a certain class, such shares being collectively entitled to 15 percent of

(a) any amount distributed in dividend

and of (b) any distribution of assets.

Schedule C of the draft now sent does not ~~space~~ provide for any allotment of shares nor does it enable Govt to participate in the distribution of assets.

Regarding clause 17, there is a reference to the forfeiture of a deposit, but the agreement nowhere provides for a deposit. In this connection, I am to mention that in my letter of 9th June 1935 to your clients, Govt have said that they are prepared to waive the deposit of Rs 400/- per square mile required under the Mineral Concession Rules in force in Mysore, provided your

G. R. S. App. F. G. 3.

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

clients give an assurance that pits and excavations etc will be properly filled up or fenced after work under the License is over I am to enquire how your clients propose to give this assurance. and to make it effective

Lastly, Regarding the period of the lease under Clause 18 of the draft, I am to point out that Govt have agreed to give a lease for a period of 30 years with no further Commitments for the future. The question of having a right of renewal for a further period ~~to be~~ has in this Connection never been raised during the negotiations and such a clause is not to be found in the Government's Standard License form ~~Lease~~ References to a right of renewal has

WD 9433—GPB—10,000—17-10-33

therefore to be omitted in the draft.

I have the

Dewey

DDP
3/9/35

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Bangalore, Dated 6th September *1935.*

No. D 1534
Geo 48-33-25

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

Messrs. King & Partridge,
Solicitors, Madras.

~~Sir~~

Gentlemen,

I am to refer you to my letter No.D.800/Geo.48-33-24 dated the 5th August 1935 acknowledging receipt of your letter of the 23rd July forwarding the draft form of the special prospecting License prepared by your clients in London and to say that subject to what is hereinafter said, the draft appears to be generally suitable.

The formula regarding additional royalty suggested in Schedule C of the draft does not seem to be all right. What Government proposed and your clients agreed to was that Government should get a free allotment of the whole of the paid up shares of a certain class, such shares being collectively entitled to 15 per cent of

(a) any amount distributed in dividend

and of (b) any distribution of assets.

Schedule C of the draft now sent does not provide for any allotment of shares nor does it enable Government to participate in the distribution of assets.

Regarding clause 17, there is a reference to the forfeiture of a deposit, but the agreement nowhere provides for a deposit. In this connection, I am to mention that in my letter of 9th June 1935 to your clients, Government have said that they are prepared to waive the deposit of Rs.400/-

per square mile required under the Mineral Concession Rules in force in Mysore, provided your clients give an assurance that pits and excavations etc. will be properly filled up or fenced after work under the License is over. I am to enquire how your clients propose to give this assurance and to make it effective.

Lastly, regarding the period of the lease under clause 18 of the draft, I am to point that Government have agreed to give a lease for a period of 30 years with no further commitments for the future. The question of a right of renewal for a further period was never raised during the negotiations and such a clause is not to be found in the Government's standard License form. References to a right of renewal has therefore to be omitted in the draft.

I have the honour to be,
Sir,
Your most obedient servant

Secretary to Government,
Development Department.

hks.2

D. 1234

KING & PARTRIDGE,
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S.

TELEPHONE No. 3911. (2 LINES)
POST BOX No. 121.

High Court Buildings,
Madras.

8th September 1935

Geol 48-33-26

From

Messrs. King & Partridge,

Solicitors & Notaries Public,

High Court House, Madras

To

The Secretary to the Government of His Highness

the Maharajah of Mysore,

Development Department,

General & Revenue Secretariat,

Bangalore.

Sir,

The Indian Mines Development Syndicate Ld. - Draft Prospecting License for Mysore State excluding lands leased to the Kolar Group of Gold Mining Companies.

We have the honour to acknowledge receipt of your -- letter N D 1534 - Geol 48-33-25 of the 6th inst., and have - - carefully noted contents on which we are in communication with -- our clients.

With regard to Schedule C as drafted on behalf of our clients it will be noted that, though shares are not mentioned, Government is secured of the 15% of any distribution whatsoever of

of dividends or assets earned by the proposed mining company. A return of capital is, of course, necessarily excluded. At the same time we have suggested to our clients for consideration that some such words as "(secured by the issue to Government of a - - special class of shares credited as fully paid up)" may be - - inserted between the words "amount" and "equal" in the first part of the Royalty clause in schedule C.

With regard to your remarks on clause 17 as we read the draft there are in reality considerable deposits of advance rents provided for in clause 2 of the draft. Our clients will, for instance, be called upon to deposit some Rs 29,303 = 0 = 0 in the beginning of the first year of the licence (for an area of 29316 square miles less the area of mining leases now held by the Kolar Group say 23 sq.miles = 29,303 sq. miles) though manifestly they will not be able to work the licence over this entire area but must select lesser blocks within the same and accordingly the actual rent will be governed by clause 18 and will be paid on the areas not excluded by Government or by our clients from actual -- prospecting. This, at any rate, appears to be the correct interpretation of the draft.

The assurance desired by Government as to properly filling up pits and excavation and fencing is contained in clause 6 of the draft and being intended to be contractual will therefore be effective. Government supervision, you will observe, is also provided for by the clause.

As regards the question of a renewal of the leases after

after the first thirty years we think that both parties understand that the form of licence under discussion is not the Government's standard licence form. At the same time we have cabled our - - clients for their remarks and will advert on hearing from them.

We have the honour to be,

Sir,

Your obedient servants,

King & Partridge

KING & PARTRIDGE,
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S.

TELEPHONE NO. 3911. (2 LINES)
POST BOX NO. 121.

25/12/35

GEN. & REV. SECRETARIAT
25/10
DEVELOPMENT BRANCH
1971

High Court Buildings,
Madras.

24th October 1935

2655

Geol 48-33-27

For perusal in the first instance. The Secretary has now accepted all the terms as finally settled

Secretary Member
Dewan

MW
25.10

From

Messrs. King & Partridge,
Solicitors & Notaries Public,
High Court House,
M a d r a s.

To

The Secretary to the Government of
High Highness the Maharajah of Mysore,
Development Department,
General & Revenue Secretariat,
B a n g a l o r e.

MM
25-10-35

Sir,

The Indian Mines Development Syndicate Ld. - Draft Prospecting Licence for Mysore State excluding lands leased to the Kolar Group of Gold Mining Companies.

In continuation of our letter dated the 8th ultimo, we beg to advise that we have now received our clients' instructions in the matter.

Our clients agree that Government should have an issue of a special class of shares and suggest that paragraph (ii) in Schedule C should be revised so as to read as follows :-

"Royalty - 2½ per cent on the sale value of gold and silver together with a free allotment of the whole of the shares of a certain class credited as fully paid carrying the right to 15 per cent. of any amount distributed in dividends and 15% of any distribution of assets."

With regard to Deposit, our clients agree to the deletion

deletion of the words "and the deposit forfeited" in clause 17.

With reference to fencing, as already pointed out in our letter to you dated the 8th ultimo, the matter is provided for in clause 6 of the Draft. We trust that Government will agree that no further alteration is necessary.

With reference to the term of the lease, our clients agree that it should be for thirty years without any express right of renewal inserted.

Now that all the points raised by Government have been dealt with by our clients, we shall be obliged if the Government will give us an appointment as soon as possible so that the Draft Licence may be discussed and finally settled, as our --- clients are very anxious to proceed with prospecting without any further delay.

We have the honour to be,

Sir,

Your obedient servants.

King & Partridge

AKK/KNC.

Appendix F G—1]

SUBJECT Grant of a special prospecting licence for gold to Messrs John Taylor Sons over the whole State excluding the K.G.F. area.

Section Genl
File No. 48-37
Serial No. 28

Diary No. of letter replied to.....

No. D. 2969

To To, Messrs King & Partridge
Solicitors & Notaries
Public
High Court House
Madras

General and Revenue Secretariat

( )

the *193*

Gentlemen,

Date of issue.....

As desired in
Your letter dated 24/10/35
on the above subject, I am
directed to intimate that
you will be asked to meet
your representative at Bangalore
for one day
on Tuesday the 12th instant to discuss
& finally settle certain points
relating to the draft form of
licence. A line in reply (as to whether
the date will suit you.

Signed by .....

List of enclosures.....

Copied by .....

Yours faithfully

Examined by.....

5/11/35

WD 03601—GPB—30,000—23-9-35

Copy to the P. S. [illegible]

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 5th November 1935

No. D.2969 Seal 48-33-27

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

Messrs King and Partridge,
Solicitors and Notaries Public,
High Court House,
Madras.

~~Sir,~~

Gentlemen,

Subject: Grant of a special prospecting license for gold to Messrs John Taylor and Sons over the whole State excluding the K.G.F. area.

As desired in your letter dated 24th October 1935 on the above subject, I am directed to state that Government will be glad to meet your representative at Bangalore on Tuesday the 12th instant to discuss and finally settle certain points relating to the draft form of license.

A line in reply may kindly be sent as to whether the date will suit you.

Yours faithfully,

Sd. M. Venkatanranappa

~~for~~ Secretary to Government,
Development Department.

Memo No.

Copy of the above is forwarded with compliments, to the Private Secretary to Dewan for information.

By Order,

For Secretary to Government,
Development Department.

KING & PARTRIDGE,
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S.

TELEPHONE No. 3911. (2 LINES)
POST BOX No. 121.

OFFICE OF THE
SECOND MEMBER OF COUNCIL
9 NOV. 1935
NO. 3540

High Court Buildings,
Madras.

7th November 1935

From Messrs. King & Partridge,
Solicitors & Notaries Public,
High Court House,
Madras.

To The Secretary to the Government of His Highness
The Maharajah of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

Sir,

Sub. Grant of a special prospecting licence for gold to Messrs. John Taylor and Sons over the whole of State excluding the K.G.F. area -

We have the honour to acknowledge receipt of your letter No.D.2969/Geol.48-33-27 of the 5th instant and note that Government will be glad to meet our representative at Bangalore on Tuesday the 12th instant to discuss and finally settle certain points relating to the draft form of licence if this date will suit us. We find that it would be very inconvenient for us to attend at Bangalore on that date but we are endeavouring to arrange matters so that a Partner of our firm may be able to attend on Thursday the 14th or Friday the 15th instant either of which days we trust will be convenient to Government but we

The Secretary to the Government of His Highness
The Maharajah of Mysore.

shall probably write you again more definitely in the course of the next two or three days.

We have the honour to be,
Sir,
Your obedient servants,

HMS/MRV

King & Partridge

Appendix F G—1]

SUBJECT.....

.....

.....

Section Geol
File No. 48-33
Serial No. R

Diary No. of letter replied to.....

No. D. 3336

To

Messrs King & Partridge,
Solicitors & Notaries Public
High Court House,
Nairobi

General and Revenue Secretariat

( )

the *193* .

Gentlemen,

Date of issue 21. 11. 35

Subject— Grant of a special prospecting licence for Gold to Messrs John Taylor & Sons over the whole Stud excluding the K.G.F. area

Signed by Mr. D.C.S

I am desired to invite ref to your letter dated 7/11/35 stating ~~that it would be~~ very inconvenient for you to attend at Nairobi on the 12th. instant ~~that you are endeavouring~~ to arrange matters so that a Partner of your firm may be able

List of enclosures.....

Copied by .....

Examined by.....

WD 03601—GPB—30,000—23-9-35

~~called on Thursday the 14th inst~~

~~Friday the 15th inst~~ ~~& that you would~~

write further again more definitely ~~on~~ about the date

~~of your convenience for further interview~~ of your meeting with the Govt

~~the course of the next two or three days~~. for settling

the general draft of

the Prospecting licence

I write to state that nothing has May I request you to

been heard from you so far in the let me know when

matter. Kindly & prompt reply from you further communication

to kindly inform me as early as possible, may be expected

the date on which a partner of

your firm will be in Bangalore to meet the Govt

to discuss certain details relating

to the above subject.

Yours faithfully

for Messrs

D. 3336

21st November 1935.xxx

To

Messrs. King & Partridge,
Solicitors & Notaries Public,
High Court House,
M a d r a s.

Gentlemen,

Subject: Grant of a special prospecting license for gold to Messrs. John Taylor & Sons, over the whole State excluding the Kolar Gold Fields area.

I am desired to invite reference to your letter dated 7th November 1935 stating that you would write again more definitely about the date of your meeting the Government for settling the final draft of the prospecting license. May I request you to let me know when your further communication may be expected?

Yours faithfully,

for Secretary to Government,
Development Department.

& PARTRIDGE,
SITORS, NOTARIES AND
OMMISSIONERS FOR OATHS.
MADRAS AND OOTACAMUND.
PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.
TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S.
TELEPHONE NO. 3911. (2 LINES)
POST BOX No. 121.

Gen. 2111

REGISTRY OF THE
SECOND MEETING OF GOVT. COUNCIL.
21 NOV 1935
No. 3957

High Court Buildings,
Madras.

2361

20th November 1935.

Gen. 48-33-30

For personal
See remarks

H.W.
U 11

From
Messrs. King & Partridge,
Solicitors & Notaries,
High Court House,
M a d r a s.

Sem. I shall not be here
The Sec. may
Small

To
The Secretary to the Government
of H. H. The Maharajah of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

23/11/35

Sir,

re Grant of a special prospecting license for gold to Messrs. John Taylor & Sons over the whole State excluding the K.G.F.area.

With reference to our letter of the 7th instant our Mr. Small will attend at your office on Tuesday the 26th instant at 3 P.M. to discuss and settle certain points relating to the draft form of license and we trust that date and time will be suitable to you.

You will observe from Messrs. Moresby & Thomas's letter to you of even date that Mr. Small will be attending your office that day to hand over to you the duplicates of the new Kolar Leases.

We have the honor to be,
Sir,
Your obedient servants,
King & Partridge

& PARTRIDGE,
OLICITORS, NOTARIES
AND
IMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
— BENTLEY'S.

TELEPHONE NO. 3911. (2 LINES)
POST BOX NO. 121.

Geol No. 25/11/35

High Court Buildings,
Madras.

22nd November 1935

From
Messrs. King & Partridge,
Solicitors & Notaries,
High Court House, Madras.

To
The Secretary to the Government
of H.H.The Maharajah of Mysore,
Development Department,
Bangalore.

Sir,

Grant of a special prospecting license for gold to Messrs. John Taylor & Sons over the whole State excluding the Kolar Gold Field area

We have the honor to acknowledge receipt of your letter of yesterday's date D.O.No.D.3336/Geol 48-33 which crossed our letter to you of the 20th instant intimating to you that our Mr. Small will attend at your office on Tuesday next the 26th instant at 3 P.M. for finally settling the draft prospecting license.

We have the honor to be,

Sir,

Your obedient servants,

King & Partridge

K ɜ & PARTRIDGE,
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S.

TELEPHONE NO. 3911. (2 LINES)
POST BOX NO. 121.

1971/2135

High Court Buildings,
Madras.

23rd December 19 35

2976
Geol. 48-33-81

From Messrs. King & Partridge,
Solicitors,
High Court House,
Madras.

To The Secretary to the Government of
His Highness The Maharajah of Mysore,
Development Department,
Bangalore.

Sir,

Grant of Special Prospecting Licence for gold to Messrs. John Taylor & Sons over the whole of State excluding the Kolar Gold Field area

With reference to the pleasure of our Mr. Small's meetings with you on the 26th ultimo we enclose herewith final draft of the proposed Special Prospecting Agreement and should be glad to hear from you that the draft is approved by Government whereupon we will proceed with the engrossment of the Deed on stamp paper and send it to you, after execution by ourselves, for execution on behalf of your Government.

We were informed that an application fee of Rs.3,690/- approximately must be tendered by us with the application and we should be obliged by your advising us whether this sum should be remitted by us to the State Huzur Treasury, Bangalore or

tendered by way of cheque to your department. An early reply will greatly oblige.

We have the honour to be,
Sir,
Your obedient servants,

HMS/MRV

King & Partridge

No.

GOVERNMENT of His Highness the Maharaja of Mysore

Department of Geology.

SPECIAL PROSPECTING LICENSE.

(Pursuant to the Rules published with Notification No.G.25838 Geol. 57-18-20, dated 12th May 1920 as herein modified with the special sanction of the Government)

SPECIAL PROSPECTING LICENSE granted this day of 1935 by the Government of His Highness the Maharaja of Mysore (hereinafter called "the Government") to Indian Mines Development Syndicate Limited (hereinafter called "the Licensee") whose registered office is at No. 6 Queen Street Place in the City of London, England, hereinafter called the Licensee which expression shall be taken to mean and include ~~the said Indian Mines Development Syndicate Limited~~ its successors and assigns except where the context requires another or different meaning.

WHEREAS the Licensee has applied in accordance with the rules published under Notification No.G.25838 - Geol. 57-18-20, dated 12th May 1920, for a licence to prospect for minerals in the area described in Schedule A hereto:

AND WHEREAS the Government were pleased to grant the same on certain terms and conditions which the Licensee has accepted:

NOW THIS INDENTURE WITNESSETH as follows:-

1 The Government hereby grant to the Licensee for a period of three years from the date hereof, license and liberty to prospect for such minerals as are generally or particularly described in Schedule B and to work, win, and carry away, as and for the Licensee's own use any or all of the minerals aforesaid, subject to the payment of the rent

and royalties specified in Clause 2 hereof, and subject to the condition that the Government shall at all times during the term of the license have the right of preemption, at the fair market price for the time being, of the aforesaid minerals lying within the aforesaid area or elsewhere in the State of Mysore under control of the licensee.

2. The Licensee shall during the period of this License pay rent to the Government at the following rates, namely, during the first year the sum of Rupees 29,302.75 being one Rupee per square mile, during the second year two Rupees per square mile and during the third year three Rupees per square mile. The said rent shall be payable yearly in advance, the first payment to be made on the grant of this License. The amount of territory in respect of which rent is payable shall always be subject to the provisions of Clause 18 hereof but so that the Government shall not be liable to refund any amount paid in advance in the event of any territory becoming subject to a lease or being relinquished during the course of any year. In addition to the said rent the Licensee shall during the period of this License pay to the Government a royalty at the rate of 2½ per cent on the sale value of gold and silver.

3. This License and any lease granted hereunder is subject to any vested interests and to any rights and liberties which have been granted by Government in the said area, or in the gold, minerals, stones or rocks therein contained, prior to the date of the grant hereof.

4. The Licensee shall forthwith thoroughly and vigorously prospect and examine the said area, and make, dig and carry out all necessary trenches, pits and such other works as are necessary or proper for the efficient prospecting thereof.

5 All operations under this License shall be conducted under such supervision and in accordance with such regulations as the Government may from time to time, prescribe.

6. The Licensee shall, within six months next after the determination of the License or the date of the abandonment of any of the works undertaken hereunder, whichever shall first occur, securely plug any bores and fill up or fence any holes or excavations that the Licensee may have made in the land, to such extent as the Deputy Commissioner concerned, in consultation with an Inspector of Mines, may require and shall to the like extent restore the surface of the land and all buildings thereon which the Licensee may have damaged in the course of prospecting; provided, that this clause shall not apply to any land held under a mining lease. If the Licensee shall fail to carry out the aforesaid work within the time stated above it shall be lawful for the Government to do the same and to recover the cost thereof from the Licensee as an arrear of Land Revenue.

7. The Licensee shall keep proper accounts and plans and furnish to the Director, Department of Geology, full and correct information as to all minerals, stones and rocks found, or mined and raised in the course of operations under this license and as to the treatment, preparation and disposal of the same.

8. The Licensee shall afford any other information in connection with the said area and the works carried on there, and furnish any samples which the Government may ask for. The Licensee shall give every facility to the Government in inspecting the work carried on in the said area and in taking samples of minerals, stones and rocks found, mined, raised or being in or on the same area and any products obtained or prepared therefrom. The Government will pay a fair price for any samples of intrinsic value.

9. The Licensee shall permit the Government or any person duly authorised by Government to enter into and upon any land comprised in the said area, and to conduct prospecting and mining operations thereon in respect of minerals or other

substances other than those specified in Schedule B hereto annexed, and also to carry out such works of public utility as may, in their opinion, be necessary or expedient, due compensation being paid to the Licensee for any interference with any rights granted hereunder or any loss or damage caused to ~~him~~ it.

10. In the course of prospecting operations, no occupied or private lands shall be entered upon or disfigured nor shall any prospecting or mining operations be carried on vertically beneath the surface of any such lands unless the Licensee has acquired the surface rights or obtained the consent, by an agreement in writing, of the owner or occupier. A copy of every such agreement shall be forwarded to the Amildar of the Taluk within which the land is situated.

11. The Licensee shall not enter upon or commence prospecting in any State Forest or land under special protection comprised in the said area, except in accordance with the rules for the conduct of prospecting and mining operations published under Government Notification No.R.10777 Ft.81-08-6, dated 21st June 1909 as amended by Notification No.R.9048 - Ft. 43-14-14 dated 22nd March 1916.

12. The Licensee shall abstain from all interference with the free use of any tanks, water courses, sacred groves, burial grounds, village sites for houses or grazing lands, which may now exist in the said area, and in no way obstruct any road, path or by-way of any kind whatsoever in the said area, and will not do anything which may directly or indirectly injure in any way any occupied lands or villages, houses or other private property whether in the said area or adjoining thereto.

13. The Licensee shall make and pay reasonable satisfaction and compensation for all injury which may be done by the Licensee in exercise of the powers granted by the License and shall indemnify the Government against all claims which may be made by third parties in respect of any such damage or injury.

14. The Licensee shall not without the permission in writing of the Deputy Commissioner, cut or injure any trees or timber on unoccupied and unreserved lands other than brush-wood or undergrowth which may require to be cleared away as interfering with the due exercise of the rights, licenses and liberties hereby granted.

15. This License shall not be assigned nor any right or interest hereunder transferred without the consent in writing of the Government except to a Mining Finance Company formed within six months from the date hereof for the express purpose of acquiring this License.

16. If prospecting work is not commenced within nine calendar months from the date hereof and carried on to the reasonable satisfaction of Government, or if work is discontinued for any continuous period of six months during the currency of this License (including any period of renewal) or if there shall be any breach by the Licensee of any provision in this License contained, the License may be summarily revoked by Government and thereupon all rights conferred hereby or enjoyed hereunder shall cease.

17. If the Licensee discovers any mineral of value within the area specified in his License, the Licensee shall immediately report the discovery to the Director, Department of Geology. Failure to comply with this provision will render the License liable to be cancelled. If the mineral so reported is not one of those in respect of which the License has been granted, the Licensee may apply to the Director, Department of Geology, to have the said mineral added to those already specified in the License, and it shall be within the discretion of Government to accede to, or refuse the request, or to impose such special terms as they may think fit. As a rule and under ordinary circumstances, such requests will be complied with, provided that the rights sought to be secured

in respect of the mineral applied for are freely at the disposal of Government.

Provided that if any mineral of value is known to occur on or within the area of a prospecting license the Government may, at their discretion, give the Licensee the option of having such mineral added to those specified in the Schedule to the License or may grant a prospecting License or mining lease in respect of such mineral to any person. As a rule and in the absence of special reasons, no prospecting or mining rights will be granted to more than one person on the same block though for different minerals.

18. The Licensee shall be at liberty at any time during the term of this License, to select for mining purposes a block or blocks of land each not exceeding 1,000 yards in length by 500 yards in breadth within the area to which this License applies, and shall be entitled to the grant of a mining lease or leases either to the Licensee or to a Mining Company or Mining Companies to be formed for the purpose of acquiring such lease or leases from time to time as the Licensee shall require in respect of the block or blocks so selected in respect of the mineral or minerals specified in Schedule B hereto subject to the payment of the rent and royalties including the allotment of fully paid up shares specified in Schedule C and otherwise in accordance with the rules for the grant of mining leases in force on the date of application but so that the term of any such lease shall be for thirty years. Provided that the Government may refuse to include or grant mining rights in respect of any lands whether private, occupied or unoccupied within the selected block, which are in the opinion of Government required, for any public purpose, the fruition of which would be impaired by the development of mining operations.

When such mining lease or leases has or have been granted this License shall immediately cease and determine so far as regards the area the subject of such lease or leases.

The Licensee shall be at liberty from time to time and at any time to relinquish any territory no longer required by the Licensee on giving notice to the Government to that effect and rent shall cease to be payable in respect of all territory so relinquished.

19. Whenever a bona fide application is received for the grant for purposes of cultivation of any assessed unoccupied land comprised in the area covered by this License, the Licensee will be given the option of keeping the land for his benefit, if the licensee pays the assessment on the land for the year for which the license is granted, and if at the end of that year the Licensee wishes further to retain the land the Licensee will be permitted to do so on payment of such price for the occupancy as may be demanded from the Licensee in addition to the assessment. Otherwise the land will be disposed of under the ordinary darkhast rules.

S C H E D U L E A.

LANDS COMPRISED IN THIS LICENSE.

The whole of the State of Mysore with the exception of that portion known as the Kolar Gold Field which means all areas in respect of which leases have been granted to The Mysore Gold Mining Company Limited, Ooregum Gold Mining Company of India Limited, Champion Reef Gold Mines of India Limited and Nundidroog Mines Limited and also the land - covered by the lease granted to the late Hajee Sir Ismail Sait, covering in all an area of 23.25 Square Miles.

S C H E D U L E B.

MINERALS TO BE PROSPECTED FOR:-

Gold and Silver.

S C H E D U L E C.

Rate of Royalty.	Time of payment
(i) Rent.	Rupee One per acre per annum in advance.

(ii) Royalty - 2½ per cent on the sale value of Gold and Silver together with a free allotment of the whole of the shares of a certain class credited as fully paid up carrying the right to 15 per cent of the amount of all dividends made payable by the Lessees (so that if at any time a dividend shall be made payable free of income tax the gross amount of such dividend before -- deduction of tax shall for the purposes hereof be deemed to be the amount of the -- dividend) and 15% of any distribution of assets.

BY ORDER

DIRECTOR

DEPARTMENT OF GEOLOGY.

SIGNED AND SEALED on behalf of the Indian Mines Development Syndicate Ltd. by its duly - constituted attorney HERBERT McDOUALL SMALL in the presence of

WITNESS:

WITNESS:

DATED 193[illegible]

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE,

and

INDIAN MINES DEVELOPMENT
SYNDICATE LIMITED.

Draft/-

REVISED 26-11-35

SPECIAL PROSPECTING LICENSE.

MSN.

HERBERT SMITH & Co.,
Solicitors,
62 London Wall, E.C. 2.

Appendix F G—1]

SUBJECT.....

.....

.....

Section Geol.
File No. 4833
Serial No. 32

Diary No. of letter replied to.....

No. D.4051
Geol

To

Messrs
King & Partridge
Solicitors.
High Court Chambers
Madras

General and Revenue Secretariat

( )

the *193*

Date of issue 2.1.36

Signed by Mr. D.C.S

Gentlemen,

Subject

Grant of Spl prospecting licence to gold to Messrs Wm Taylor & Sons over the whole of the state excluding the KGF area

I am directed to acknowledge receipt of your letter D 23.12.935 on the above subject & to state that

List of enclosures.....

Copied by .....

Examined by.....

WD 03601—GPB—30,000—23-9-35

the question is receiving
the attention of Govt
and all [illegible] reply will
be sent to you in due course.

Yours faithfully

Secy
31/12/35

W. 405282/36 for [illegible]

Copy to the Govt Advocate

To

Messrs. King and Partridge,
Solicitors, High Court House,
Madras.

Gentlemen,

Grant of special Prospecting License for gold to Indian Mines Development Sydicate Ltd.,

In continuation of my letter No.P.4774 dated 23rd January 1935, on the above subject, I am directed to inform you that Government consider the following modifications necessary in the draft of the special prospecting License sent with your letter of 23rd December 1935.-

(A) In schedule A, describing the lands comprised in the License, the area of the Sringeri Jagir in Kadur District and the inam lands endowed to the Sri Sringeri Mutt has to be excluded. The total of this area is about 45 square miles more or less and it is therefore proposed that schedule A may be as follows :-

The whole of the State of Mysore with the exception of

(i) that portion known as the Kolar Gold Field which means all areas in respect of which leases have been granted to the Mysore gold mining company ltd., Ooregam Gold Mining Company of India Ltd., Champion Reef Gold Mines of India Ltd., and Nundidroog Mines Ltd.,

(ii) the lands covered by the mining lease granted to the late Hajee Sir Ismail Sait, a n d

(iii) the area comprising the Sringeri

Sringeri Jagir in Kadur District and all inam lands endowed to the Sri Sringeri Mutt, ~~in all an~~ in all an area of approximately 68 Sq. miles (sixty eight) more or less".

(b) Consequent upon this alteration, the figures 29302.75 in clause 2 of the agreement have to be altered into 29258.

(c) Item (ii) of schedule C may be modified as follows to ~~tenure~~ remove any possible doubt.

(ii) Royalty - 2½ percent on the sale value of Gold and Silver together with a free allotment of the whole of the shares of a certain class credited as fully paid up and carrying the right to 15 percent of the amount of all dividends (including distributions of bonuses or bonus shares) made payable by the Lessees (so that if at any time a dividend shall be made payable free of income-tax the gross amount of such dividend before deduction of tax shall for the purposes hereof be deemed to be the amount of the dividend) and 15% of any distribution of assets".

(d) Clause 19 of the draft, is taken from the standard form of prospecting license. Under the mining rules such a license is not ordinarily granted for an area exceeding 4 square ~~miles~~ miles. The present license being practically over the whole state, I am to point out that a clause like clause 19 would mean that every darkhast for land within the State has to be referred to the licensee before it could be dealt with on its merits. Government regard such a position to be very inconvenient if not entirely unworkable. I am therefore to state that this clause has to be omitted, but if your clients wish to have it its scope has to be restricted to special areas that may be notified for the purpose from time to time by Government at the request of the licensee.

2. As regards the application fee, a sum of Rs.3707-2-0, calculated at the rate of Rs.25 ~~per~~ for the first square mile and 2 annas for each additional square mile, has to be paid. This may be paid into the State Huzur Treasury and the receipt obtained may

may be enclosed with the application that has to be made to the Director of Geology in accordance with what is mentioned in the preamble of the draft License under consideration. A copy of the form of application prescribed in ~~thi~~ this behalf is herewith sent.

I have etc.,

Draft)

Secry to Govt.
Deveptt. Deptt.

KING & PARTRIDGE,
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS:
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C.-5TH & 6TH
BENTLEY'S.

TELEPHONE No. 3911 (2 LINES)
POST BOX No. 121

High Court House,
Madras.

Geol

10th Feby. 1936

3660

11/2

Tel 48-33-34

rom Messrs. King & Partridge,
Solicitors,
High Court House, Madras.

To The Secretary to The Government of
His Highness the Maharajah of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

Sir

Grant of special Prospecting License for gold to Indian Mines Development Syndicate Ltd.

We have the honour to acknowledge receipt of your letter No.D.4840/Geol.48-33 of the 8th instant with enclosure and note contents which we have communicated to-day by Air Mail to our London clients for their final remarks. We hope to send you a detailed reply within 8 or 9 days.

We have the honour to be,
Sir,
Your obedient servants,
King & Partridge

S/MRV

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 8th February 1936

No.

From

M. Venkatanaranappa, Esq., B.A.,
Secretary to the Government of His Highness the Maharaja of Mysore,
Development Department.

To

Messrs. King and Partridge,
Solicitors, High Court House,
Madras.

Sir,
~~Xx~~
Gentlemen,

Subject:- Grant of special Prospecting License for gold to Indian Mines Development Syndicate Ltd.

In continuation of my letter No. P. 4774, dated 23rd January 1935, on the above subject, I am directed to inform you that Government consider the following modifications necessary in the draft of the special prospecting License sent with your letter of 23rd December 1935.-

(a) In schedule A, describing the lands comprised in the License, the area of the Sringeri Jagir in Kadur District and the inam lands endowed to the Sri Sringeri Mutt has to be excluded. The total of this area is about 45 square miles more or less and it is therefore proposed that schedule A may be as follows:-

The whole of the State of Mysore with the exemption of.-

(i) that portion known as the Kolar Gold Field which means all areas in respect of which leases have been granted to the Mysore gold mining company Ltd., Ooregam Gold Mining -- Company of India Ltd., Champion Reef Gold Mines of India Ltd., and Mundidroog Mines Ltd.,

(ii) the lands covered by the mining lease granted to the late Hajee Sir Ismail Sait, and

(iii) the area comprising the Sringeri Jagir in Kadur District and all inam lands endowed to the Sri Sringeri Mutt, ~~all~~ an area of approximately 68 square miles (sixty eight) more or less"

(b) Consequent upon this alteration, the figures 29302.75 in clause 2 of the agreement have to be altered into 29258.

(c) Item (ii) of schedule C may be modified as follows to

remove any possible doubt.

(ii) Royalty - 2½ per cent on the sale value of Gold and Silver together with a free allotment of the whole of the shares of a certain class credited as fully paid up and carrying the right to 15 percent of the amount of all dividends (including distributions of bonuses of bonus shares) made payable by the Lessees (so that if at any time a dividend shall be made payable free of income-tax the gross amount of such dividend before deduction of tax shall for the purposes hereof be deemed to be the amount of the dividend) and 15% of any distribution of assets"

(c) Clause 19 of the draft, is taken from the standard form of prospecting license. Under the mining rules such a license is not ordinarily granted for an area exceeding 4 square miles. The present license being practically over the whole State, I am to point out that a clause like clause 19 would mean that every darkhast for land within the State has to be referred to the licensee before it could be dealt with on its merits. Government regard such a position to be very inconvenient if not entirely unworkable. I am therefore to state that this clause has to be omitted, but if your clients wish to have it its scope has to be restricted to special areas that may be notified for the purpose from time to time by Government at the request of the licensee.

2. As regards the application fee, a sum of Rs. 3,707-2-0, calculated at the rate of Rs. 25/- for the first square mile and 2 annas for each additional square mile, has to be paid. This may be paid into the State Huzur Treasury and the receipt obtained may be enclosed with the application that has to be made to the Director of Geology in accordance with what is mentioned in the preamble of the draft License under consideration. A copy of the form of application prescribed in this behalf is herewith sent.

I have the honor to be,
Gentlemen,
Your most obedient servant,

Secretary to Government,
Development Department

TRM.3

GOVERNMENT OF MYSORE.

Telegraphic Address:—GEOL

MYSORE GEOLOGICAL DEPARTMENT

No. 9203-1

Bangalore, 2nd March 6

FROM

B. RAMA RAO, ESQ., M.A., D.I.C., F.G.S.,
Director of Geology in Mysore,
Bangalore.

To

M.Venkatanaranappa, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Development Department, Bangalore.

SIR,

In forwarding herewith a copy of letter No.1075/ Books. dated 28th February 1936 from the Comptroller to Government requesting to be informed of the head of credit in respect of a sum of Rs.3,707-2-0 received from Messrs. The Indian Mines Development Syndicate on account of application fee for a Special Prospecting License, I have the honour to state that as no special application has been received in this office from the Syndicate in question, I am not in a position to comply with the Comptroller's request. It is not known if any applications were received by Government directly from the Syndicate. If so, I request that necessary details relating to the payment under reference may kindly be furnished to this office to enable intimation being sent to the Comptroller for the classification of the amount under the proper head of account

I have the honour to be,
Sir,
Your most obedient servant,

B Rama Rao

Director,
Mysore Geological Department.

Bs.2/3

Copy of letter No.1075/Books dated the 28th Fe ruary 1936 from the Comptroller to Government to the Director of Geology in Mysore, Bangalore

"I have the honour to forward herewith for information and necessary action, copy of the advice dated 24-2-36 received from the Imperial Bank of India Bangalore, intimating credit of Rs.3,707-2-0 (Rupees Three thousand Seven hundred and seven and annas two only) on account of the amount paid in by the Indian Mine Development Syndicate Ltd., in respect of the fee on application for a Special Prospecting License

This office may be kindly intimated of the head of classification for the above credit."

(Copy)

B Ramaiah

Director,
Mysore Geological Department

Bs.2/3

p.t.o.

Copy of Letter dated 24-2-36 from the Agent, Imperial Bank of India, Bangalore to the Comptroller of Mysore, Bangalore.

I beg to advise having credited your account with the Bank with Rs.3707-2-0 being amount paid in by the Indian Mine Development Syndicate Ltd., in respect of the fee on application for a special prospecting License. Please forward to us your receipt in their favour at your earliest convenience."

(Copy)

(Sd) D.Venkataramiah,

for Comptroller.

(Copy)

D i r e c t o r,
Mysore Geological Department

JOHN TAYLOR & SONS.
TELEGRAPHIC ADDRESSES.
INLAND TELEGRAMS:-
"ROLYAT, CANNON, LONDON."
CABLEGRAMS:-
"ROLYAT, LONDON."
TELEPHONE, [redacted] CENTRAL 2426.
(4 LINES)
KENNETH BARING TAYLOR
SYDNEY ENFIELD TAYLOR

6, Queen Street Place,
London, E.C.4.

By Air Mail 24th February, 1936

M. Venkatanaranappa, Esq., B.A.,
Secretary to the Government of His Highness
the Maharaja of Mysore,
Development Department,
INDIA.

Sir,

Subject:- Grant of special Prospecting Licence for gold to Indian Mines Development Syndicate Limited.

We have the honour to refer to your letter to our Solicitors, Messrs. King Partridge No. D. 4840/Geol. 48-33 dated 8th instant and as regards which we have already authorised that firm to inform Government that we accept the proposed modifications to the draft Licence. This will no doubt permit of the Licence being issued at an early date.

In regard to the excluded area in the Madur District we request to be supplied at an earl date with a map shewing the location and boundaries (with latitude and longitude) so that we can mark it off on our maps and have our records correct.

We have the honour to be,
Sir,
Your obedient servants,

John Taylor & Sons

KING & PARTRIDGE,
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS.

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S.

TELEPHONE No. 3911. (2 LINES)
POST BOX No. 121.

Geol 6/3

High Court Buildings,
Madras.

Geol 48-33-37

R/A

2nd March 1936

D 4129-6/37

From Messrs. King & Partridge,
Solicitors,
High Court House,
Madras.

To The Secretary to The Government of His Highness
The Maharajah of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

Sir,

Re: Grant of special prospecting licence for gold and silver to Indian Mines Development Syndicate Ltd.

Adverting to your letter No.D.4840/Geol.48-33 of the 8th ultimo we enclose herewith final draft of the special prospecting licence and beg to advise you that this form has been sent by us to the Director of the Department of Geology at Bangalore this day along with the necessary application form duly signed by our Mr. H.M.Small as Attorney for the Indian Mines Development Syndicate Ltd., the State Huzur Treasury's receipt for Rs.3,707/2, and Topographical Map of Mysore showing the areas excluded from the licence.

We trust that Government can immediately pass orders granting the licence and we should be obliged if you would have the engrossment sent by us today to the Department of Geology duly signed on behalf of Government and our Mr. Small

Small will also attend at Bangalore to execute same on behalf of the Company and receive the licence from Government on their behalf as the Company is extremely anxious to commence operations as early as possible.

We have the honour to be,
Sir,
Your obedient servants,

HMS/MRV

Kingsley Partridge

No.

GOVERNMENT of His Highness the Maharaja of Mysore

Department of Geology.

SPECIAL PROSPECTING LICENSE.

(Pursuant to the Rules published with Notification No.G.25838 Geol. 57-18-20, dated 12th May 1920 as herein modified with the special sanction of the Government)

SPECIAL PROSPECTING LICENSE granted this day of One thousand nine hundred and thirtysix by the Government of His Highness the Maharaja of Mysore (hereinafter called "the GOVERNMENT") to Indian Mines Development Syndicate Limited (hereinafter called "the LICENSEE") whose registered office is at No. 6 Queen Street Place in the City of London, England, hereinafter called the Licensee which expression shall be taken to mean and include its successors and assigns except where the context requires another or different meaning.

W H E R E A S the Licensee has applied in accordance with the rules published under Notification No. G.25838 - Geol. 57-18-20 dated 12th May 1920, for a licence to prospect for minerals in the area described

in Schedule A hereto:

AND WHEREAS the Government were pleased to grant the same on certain terms and conditions which the Licensee has accepted:

NOW THIS INDENTURE WITNESSETH as follows:-

1. The Government hereby grant to the Licensee for a period of three years from the date hereof, license and liberty to prospect for such minerals as are generally or particularly described in - Schedule B and to work, win, and carry away, as and for the Licensee's own use any or all of the minerals aforesaid, subject to the payment of the rent and royalties specified in Clause 2 hereof, and subject to the condition that the Government shall at all times during the term of the license have the right of preemption, at the fair market price for the time being, of the aforesaid minerals lying within the aforesaid area or elsewhere in the State of Mysore under control of the licensee.

2. The Licensee shall during the period of this License pay rent to the Government at the - following rates, namely, during the first year the sum of Rs.29,258/- (Rupees Twenty nine thousand two hundred and fifty eight) being one Rupee per square mile, during the second year two Rupees per square mile and during the third year three Rupees per square mile. The said rent shall be payable yearly in advance, the first payment to be made on the grant of this License. The amount of territory in respect of which rent is payable shall always be subject to the provisions of Clause 18 hereof but so that the Government shall not be liable to refund any amount paid in advance in the event of any territory becoming

subject to a lease or being relinquished during the course of any year. In addition to the said rent the Licensee shall during the period of this License pay to the Government a royalty at the rate of 2½ per cent on the sale value of gold and silver.

3. This License and any lease granted hereunder is subject to any vested interests and to any rights and liberties which have been granted by Government in the said area, or in the gold, minerals stones or rocks therein contained, prior to the date of the grant hereof.

4. The Licensee shall forthwith thoroughly and vigorously prospect and examine the said area, and make dig and carry out all necessary trenches, pits and such other works as are necessary or proper for the efficient prospecting thereof.

5. All operations under this License shall be conducted under such supervision and in accordance with such regulations as the Government may, from time to time, prescribe.

6. The Licensee shall, within six months next after the determination of the License or the date of the abandonment of any of the works undertaken hereunder, whichever shall first occur, securely plug any bores and fill up or fence any holes or excavations that the Licencee may have made in the land, to such extent as the Deputy Commissioner concerned, in consultation with an Inspector of Mines, may require and shall to the like extent restore the surface of the land and all buildings thereon which the Licensee may have damaged in the course of prospecting; provided, that this clause shall not apply to any land held under a mining lease. If the Licensee shall fail to carry

out the aforesaid work within the time stated above it shall be lawful for the Government to do the same and to recover the cost thereof from the Licensee as an arrear of Land Revenue.

7. The Licensee shall keep proper accounts and plans and furnish to the Director, Department of Geology, full and correct information as to all minerals, stones and rocks found, or mined and raised in the course of operations under this license and as to the treatment, preparation and disposal of the same.

8. The Licensee shall afford any other information in connection with the said area and the works carried on there, and furnish any samples which the Government may ask for. The Licensee shall give every facility to the Government in inspecting the work carried on in the said area and in taking samples of minerals, stones and rocks found, mined, raised or being in or on the same area and any products obtained or prepared therefrom. The Government will pay a fair price for any samples of intrinsic value.

9. The Licensee shall permit the Government or any person duly authorised by Government to enter into and upon any land comprised in the said area, and to conduct prospecting and mining operations thereon in respect of minerals or other substances other than those specified in Schedule B hereto annexed, and also to carry out such works of public utility as may, in their opinion, be necessary or expedient, due compensation being paid to the Licensee for any interference with any rights granted hereunder or any loss or damage caused to it.

10. In the course of prospecting operations, no occupied or private lands shall be entered upon or disfigured nor shall any prospecting or mining operations be carried on vertically beneath the surface of any such lands unless the Licensee has acquired the surface rights or obtained the consent, by an agreement in writing, of the owner or occupier. A copy of every such agreement shall be forwarded to the Amildar of the Taluk within which the land is situated.

11. The Licensee shall not enter upon or commence prospecting in any State Forest or land under special protection comprised in the said area, except in accordance with the rules for the conduct of prospecting and mining operations published under Government Notification No.R.10777 Pt.81-08-6, dated 21st June 1909 as amended by Notification No.R.9048 - Pt. 43-14-14 dated 22nd March 1916.

12. The Licensee shall abstain from all interference with the free use of any tanks, water courses, sacred groves, burial grounds, village sites for - houses or grazing lands, which may now exist in the said area, and in no way obstruct any road, path or by-way of any kind whatsoever in the said area, and will not do anything which may directly or indirectly injure in any way any occupied lands or villages, houses or other private property whether in the said area or adjoining thereto.

13. The Licensee shall make and pay reasonable satisfaction and compensation for all injury which may be done by the Licensee in exercise of the powers granted by the License and shall indemnify the Government against all claims which may be made by third

parties in respect of any such damage or injury.

14. The Licensee shall not without the permission in writing of the Deputy Commissioner, cut or injure any trees or timber on unoccupied and unreserved lands other than brush-wood or undergrowth which may require to be cleared away as interfering with the due exercise of the rights, licenses and liberties hereby granted.

15. This License shall not be assigned nor any right or interest hereunder transferred without the consent in writing of the Government except to a Mining Finance Company formed within six months from the date hereof for the express purpose of acquiring this License.

16. If prospecting work is not commenced within nine calendar months from the date hereof and carried on to the reasonable satisfaction of Government, or if work is discontinued for any continuous period of six months during the currency of this License (including any period of renewal) or if there shall be any breach by the Licensee of any provision in this License contained, the License may be summarily revoked by Government and thereupon all rights conferred hereby or enjoyed hereunder shall cease.

17. If the Licensee discovers any mineral of value within the area specified in his License, the Licensee shall immediately report the discovery to the Director, Department of Geology. Failure to comply with this provision will render the License liable to be cancelled. If the mineral so reported is not of those in respect of which the License has been granted, the Licensee may apply to the Director, Department of Geology, to have the said mineral added

to those already specified in the License, and it shall be within the discretion of Government to accede to, or refuse the request, or to impose such special terms as they may think fit. As a rule and under ordinary circumstances, such requests will be complied with, provided that the rights sought to be secured in respect of the mineral applied for are freely at the disposal of Government.

Provided that if any mineral of value is known to occur on or within the area of a prospecting license the Government may, at their discretion, give the Licensee the option of having such mineral added to those specified in the Schedule to the License or may grant a prospecting License or mining lease in respect of such mineral to any person. As a rule and in the absence of special reasons, no prospecting or mining rights will be granted to more than one person on the same block though for different minerals.

18. The Licensee shall be at liberty at any time during the term of this License, to select for mining purposes a block or blocks of land each not exceeding 1,000 yards in length by 500 yards in breadth within the area to which this License applies and shall be entitled to the grant of a mining lease or leases either to the Licensee or to a Mining Company or Mining Companies to be formed for the purpose of acquiring such lease or leases from time to time as the Licensee shall require in respect of the block or blocks so selected in respect of the mineral or minerals specified in Schedule B hereto subject to the payment of the rent and royalties including the allotment of fully paid up shares

specified in Schedule C and otherwise in accordance with the rules for the grant of mining leases in force on the date of application but so that the term of any such lease shall be for thirty years. Provided that the Government may refuse to include or grant mining rights in respect of any lands whether private, occupied or unoccupied within the selected block, which are in the opinion of Government required, for any public purpose, the fruition of which would be impaired by the development of mining operations.

When such mining lease or leases has or have been granted this License shall immediately cease and determine so far as regards the area the subject of such lease or leases.

The Licensee shall be at liberty from time to time and at any time to relinquish any territory no longer required by the Licensee on giving notice to the Government to that effect and rent shall cease to be payable in respect of all territory so relinquished.

19. Whenever a bona fide application is received for the grant for purposes of cultivation of any - assessed unoccupied land comprised in any special area that may be notified for the purpose from time to time by the Government at the request of the licensee in the area covered by this License, the Licensee will be given the option of keeping the land in such special area for its benefit, if the licensee pays the assessment on such land for the year for which the license is granted, and if at the end of that year the Licensee wishes further to retain the said land the Licensee will be permitted to do so on payment of such price for the occupancy as may be demanded from the Licensee in addition to the assessment. Otherwise the said

land will be disposed of under the ordinary darkhast rules.

S C H E D U L E. A.

LANDS COMPRISED IN THIS LICENSE.

The whole of the State of Mysore with the exception of (1) that portion known as the Kolar Gold Field which means all areas in respect of which leases have been granted to The Mysore Gold Mining Company Limited, Oorgum Gold Mining Company of India Limited, Champion Reef Gold Mines of India Limited and Nundidroog Mines Limited (2) also the lands covered by the mining lease granted to the late Hajee Sir Ismail Sait and (3) the area comprising the Sringeri Jagir in Kadur District and all inam lands endowed to the Sri Sringeri Mutt, covering in all an area of 68 Square Miles be the same a little more or less.

S C H E D U L E. B.

MINERALS TO BE PROSPECTED FOR:-

Gold and Silver.

S C H E D U L E. C.

RATE OF ROYALTY.	TIME OF PAYMENT.
(i) R e n t.	Rupee One per acre per annum in advance.
(ii) Royalty - 2½ per cent on the sale value of Gold and Silver together with a free allotment of the whole of the shares of a certain class credited as fully paid up and carrying the right to 15 per cent of the amount of all dividends (including distributions of bonuses or bonus shares) made payable by the Lessees (so that if at any time a dividend shall be made payable free of income tax the gross amount of such dividend before deduction	

of tax shall for the purposes hereof be deemed to be the amount of the dividend) and - 15% of any distribution of assets.

BY ORDER

DIRECTOR

DEPARTMENT OF GEOLOGY.

SIGNED and SEALED on behalf of the Indian Mines Development Syndicate Ltd. by its duly constituted attorney - HERBERT McDOUALL SEALL in the presence of

WITNESS:

WITNESS:

DATED 1936

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE.

and

INDIAN MINES DEVELOPMENT
SYNDICATE LIMITED.

SPECIAL PROSPECTING LICENSE.

MSN

HERBERT SMITH & CO.,
Solicitors,
62 London Wall, E.C.2

Geol

GOVERNMENT OF MYSORE.

6/3 4130

Telegraphic Address :—"GEOL.

Immediate

MYSORE GEOLOGICAL DEPARTMENT

No. 9203-6

Bangalore, 6th March 1936

Geol 48-33-39

FROM

B. RAMA RAO, ESQ., M.A., D.I.C., F.G.S.,
Director of Geology in Mysore,
Bangalore.

To

M. Venkatanaranappa, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Development Department,
B a n g a l o r e.

SIR,

In continuation of my letter No.9203-4 dated 5th March 1936 requesting to be furnished with details regarding the application fee of Rs.3,707-2-0 paid by the Indian Mines Development Syndicate Ltd., for the grant of a special Prospecting License for gold and silver, I have the honour to state that a formal application for the special license has been received today from Messrs. King & Partridge, Madras, on behalf of the Indian Mines Development Syndicate Ltd. From a perusal of the application it is seen that correspondence has already ~~been~~ passed between Government and the applicants regarding certain terms and conditions relating to the grant of the special license. As this Department is not aware of the developments so far, I request to be furnished with the necessary particulars to enable me to take further action on the application received today from Messrs. King & Partridge.

I have the honour to be,

Sir,

Your most obedient servant,

B Rama Rao

D i r e c t o r,

Mysore Geological Department.

Bs.6/3

DUPLICATE.

JOHN TAYLOR & SONS.

O.

By Air Mail

24th February, 1936.

M. Venkatanaranappa, Esq., B.A.,
Secretary to the Government of His Highness
the Maharaja of Mysore,
Development Department,
INDIA.

Sir,

Subject:- Grant of special Prospecting Licence for gold to Indian Mines Development Syndicate Limited.

We have the honour to refer to your letter to our Solicitors, Messrs. King & Partridge No. D. 4840/Geol. 48-33 dated 8th instant and as regards which we have already authorised that firm to inform Government that we accept the proposed modifications to the draft Licence. This will no doubt permit of the Licence being issued at an early date.

In regard to the excluded area in the Kadur District we request to be supplied at an early date with a map shewing the location and boundaries (with latitude and longitude) so that we can mark it off on our maps and have our records correct.

We have the honour to be,
Sir,
Your obedient servants,

JOHN TAYLOR & SONS.

2 Drgs

Appendix F G—1]

SUBJECT.....

.....

.....

Diary nos 4628 4630

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *193* .

Date of issue 10/3/36

Signed by Asst. S-C-S.

List of enclosures.....

Copied by .....

Examined by.....

Section Genl

File No. 48-33

Serial No. 39

No. D. 5334/1 Title Secret-Separate

To

The Dist. of Genl

Dear Mr. Rama Rao

With reference ~~to our reply to~~ your letter No 920-3-6 dated 6/3/36, I am desired to forward herewith, for favour of perusal & return, the entire Secret file No Genl 48-33 re the grant of a special prospecting licence for gold & silver to the Indian Mining Development Syndicate Ltd over the whole State excluding certain areas to enable you to take further action on the application received by you from Messrs King & Partridge of Madras.

You to request that

Further action may be taken on the application of Messrs Kay & Partridge of Madras and the file may be returned as early as possible with your recommendations.

~~the Consideration of Form II A list~~ of Inam villages in the Circle which ~~mineral rights have been~~ reconveyed may also be sent for reference

7.5

dcg
10/3/36.

Immediate.

GENERAL AND REVENUE SECRETARIAT,

D. O. No. D 5334 File Secl. Separate

Dated, Bangalore 10th March 1936.

Dear Mr. Rama Rao,

With reference to your letter No.920-3-6 dated 6th March 1936, I am desired to forward, herewith, the entire Secretariat file No. Geol.48-33 regarding the grant of a special prospecting licence for gold and silver to the Indian Mines Development Syndicate Ltd. over the whole State excluding certain areas. Further action may be taken on the application of Messrs. King and Partridge of Madras and the file may be returned as early as possible with your recommendations.

A list of Inam villages in the State in which mineral rights have been recognised may also be sen for reference.

Yours sincerely,

B. Rama Rao, Esq., M.A., D.I.C., F.G.S.,
Director of Geology in Mysore,
Bangalore.

2 drafts

Appendix F G—1]

SUBJECT Granting a special property licence (revoked) to Indian Mines Development Syndicate-43 over the whole State excluding certain areas.

Section Genl
File No. 4F-33
Serial No. 40

Diary No. of letter replied to.....

No. D. 5335

To

Messrs Kemp & Partridge
Solicitors,
High Court House
Madras

General and Revenue Secretariat

( )

the *193* .

Date of issue 10/3/36.

Signed by Mai-D-CS

Sir,

I am directed to
with thanks
acknowledge (the receipt of
your letter d 2/3/36 forwarding
a draft of the special prospecting
licence & to state that the matter
is receiving the attention of Govt

Yours faithfully

dcg 9/3/36
for Secy

List of enclosures.....

Copied by .....

Examined by.....

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 10th March 193 6

No. D. 5335

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

Messrs. King & Partridge,
Solicitors,
High Court House,
Madras.

Sir,

I am directed to acknowledge, with thanks, the receipt of your letter dated 2nd March 1936 forwarding final draft of the special prospecting licence and to state that the matter is receiving attention.

Yours faithfully,

for Secretary to Government,
Development Department.

Als.2.

Mr. B. RAMA RAO, M.A., D.I.C., F.G.S.,
Director of Geology.

L2115

MYSORE GEOLOGICAL DEPARTMENT,

D. O. No. G. 1447 one list

Bangalore, 10th March 1936

12/3.

fol 48-33-61

Dear Sir,

As desired, I herewith enclose a list of villages over which inamdars' rights to minerals have been admitted according to the Land Revenue Code.

OFFICE OF THE
SECOND MEMBER OF COUNCIL,
12 MAR 1936
No. M208

Yours sincerely,
B R Ramarao

N.Madhava Rau, Esq., B.A., B.L.,
Second Member of Council,
B a n g a l o r e.

APPENDIX D.

List of Villages over which the Inamdars' Rights to Minerals have been admitted under Section 38, Provisos (3), (5) and (6) of the Mysore Land Revenue Code

Serial No.	Village	Hobli	Taluk	District	Date of settlement of claim	How settled	Remarks
1	Tukkal, S.M.	Kyasamballa	Bowringpet	Kolar	28th Feb 1898	Claim admitted	* The disposal of the right to minerals by the Jahgirdar is subject to certain limitations laid down in G.O. No. R. 9172-5-L.R. 143-08-6 of 6-5-09, (Appendix C.)
2	Puttasomanahalli S.M.	Kirangur	Seringapatam	Mysore	23rd Apl 1898	-----do-------	
3	Thumbanerlu S.M.	Kasaba	Nanjangud	--do--	-----do-------	-----do-------	
4	Kanemur, Kallahalli, Maddur, Hatralu and Mandanahalli, S.M.	Kalale	-----do----	--do--	28th Feb 1899	-----do-------	
5	Uragahalli, S.M.	Byramangala	Closepet	Bangalore	24th Mar 1899	-----do--------	
6	Hariharpur, S.M.	Akkihebbal	Krishnarajpeti	Mysore	15th Aug 1899	-----do--------	
7	Madanahalli or Mahadevapura	Chandagal	Seringapatam				
	Maragowdanahalli, Mensikyatanahalli, Seehalli Hunsanahalli	Banmur	T. Narsipur	--do---	1st Sep 1899	-----do--------	
	Doddumlagowdu, Virarajepur, and Hegguru, S.M.	Hiragarl	Malvalli	--do---			
8	Vadandahalli Jodi	Dasarahosahalli	Bowringpet	Kolar	17th Mar 00	-----do-------	
9	Sringeri Jahgir		Koppa	Kadur	22nd Oct 08	-----do----------	

(Copy)
B Ramarao
DIRECTOR,
MYSORE GEOLOGICAL DEPARTMENT.

GOVERNMENT OF MYSORE.

Telegraphic Address:—"GEOL."

MYSORE GEOLOGICAL DEPARTMENT

No. 9203-9

Bangalore, 11th March *193*6

4244 12/3 file 48-33-42

FROM

B. RAMA RAO, ESQ., M.A., D.I.C., F.G.S.,
Director of Geology in Mysore,
Bangalore.

To

M.Venkatanaranappa, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore
Development Department, Bangalore.

SIR,

I have the honour to acknowledge receipt of the Secretariat File No.Geol.48-33 regarding the grant of a special prospecting license for gold and silver to the Indian Mines Development Syndicate Ltd. forwarded with your D.O. No.D.5334/Geol.48-33-39 dated 10th March 1936 The file will be returned to you on the 23rd instant immediately after my return from tour

As no license can be granted without the applicants therefor holding a valid certificate of approval, Messrs. King & Partridge, the present representatives of the Indian Mines Development Syndicate Ltd. have already been asked to get renewed for 1936 the Certificate of Approval granted to the Syndicate in 1935. As soon as their application for renewal is received, due action will be taken in the matter.

I have the honour to be,
Sir,
Your most obedient servant,

B Rama Rao

Director,
Mysore Geological Department

Bs.11/3

Two drafts— 3 with two copies each for A C

Appendix F G—1]

SUBJECT Grant of a special prospecting license for coal and silver to Indian Mines Development Syndicate Ltd

Section Genl
File No. 48-37
Serial No. 43

Diary No. of letter replied to.....

No. D. 6005

To The Messrs Kemp & Partridge
Solicitors
High Court House,
Madras

General and Revenue Secretariat

( )

the *193*

Date of issue 1. 4. 36

Signed by Mr. Abel

Gentlemen,

With reference to correspondence ending with your letter no R/A dated 28/3/36 on the above subject, I am directed to state that it has since been ascertained that there are certain more villages as in the list enclosed over which the Zamindar possess mineral rights under the Kilgour land Revenue Code and these also have to be excluded

List of enclosures 2 copies with letter

Copied by

Examined by.....

from the scope of the general prospecting
~~including Agricultural~~ this
licence. Consequent upon ~~this~~ further

alteration the figures 29, 258 sq.
in clause 3 of the agreement
with those to be altered into 29, 217 sq.

miles

Yours faithfully

30/3/36
Dep Sy
2

Memo no D. 6006 Sy. 1.4.36.

Copy to the Surveyor
with reg to his M.O. No 6 no f. 1495
dated 23/3/36

B. O

Dep
Dep Sy
2

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. D 6005/Encl.

Dated, Bangalore, 1st April 1936.

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

Messrs. King & Partridge,
Solicitors, High Court House, Madras.

Subject:- Grant of a special prospecting license for Gold and Silver to Indian Mines Development Syndicate Ltd.

Sir

Gentlemen,

With reference to correspondence ending with your letter No.P/A dated 2nd March 1936, on the above subject, I am directed to state that it has since been ascertained that there are certain inam villages as in the list enclosed over which the Inamdars possess mineral rights under the Mysore Land Revenue Code and these also have to be excluded from the scope of the special prospecting license. Consequent upon this further alteration, the figures 29,258 Sq.miles in clause 2 of the agreement have to be altered into 29,217 Sq.miles.

Yours faithfully,

Sd/- M. Venkatanarenappa,
Secretary to Government,
Development Department.

P.S. Memo No. D 6006. Dated, 1st April 1936.

Copy of the above, is forwarded, with compliments, to the Director of Geology in Mysore, with reference to his un-official Note No.G.1495 dated 23rd March 1

March 1936.

By Order,

(Sd/ M.V

Secretary to Government,
Development Department.

K.".F.2.

Two drafts

2 Mimeographed copies P.L.D.P. & P.

Appendix F G—1]

SUBJECT Grant of a special prospecting licence for Gold & Silver to Indian Mines Development Syndicate, &c

Section Genl

File No. 48-33

Serial No. 44

Diary No. of letter replied to.....

No. D6007/Genl

To The Dist of Genl

Sir

General and Revenue Secretariat

( )

the *193*

In continuation of this office memo No D6006 dated 1.4.36 on the above subject I am directed to forward herewith a copy of letter dated 24/4/36 from Messrs John Taylor & Sons as desired regarding and to request that a sketch plan showing the boundaries of the area applied for, in duplicate, showing the location & boundaries (with latitude & longitude) of all the corners of the area (109 sq. miles) may be sent early from the receipt of the special licence 48-33-33 dated 8/4/36 is herewith. I have &c

Date of issue 1.4.36

Signed by Asst. Secy. P.L.D.P.

List of enclosures.....

Copy A

Copied by ... this office

A copy of letter no D4840/Genl enclosed for ready reference.

Examined by.....

Dept 29/8/36.

Under Secy.

WD 03601—GPB—30,000—23-9-35

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

D. 6007 Encls2

Geol. 48-33-44

Dated, Bangalore, 1st April 1936.

From

The *Secretary to the Government of His Highness the Maharaja of Mysore,*
Development Department.

To

The Director of Geology in Mysore,

Bangalore.

Subject:- Grant of a special prospecting license for gol
Sir, & Silver to Indian Mines Development Syndicate, Ltd.,

In continuation of this office Memo No. D 6006 dated 1/4/36 on the above subject, I am directed to forward herewith a copy of letter dated 24th February 1936 from Messrs. John Taylor & Sons, London and to request that as desired therein a map of the State in duplicate, showing the location and boundaries (with latitude and longitude) of all the areas (about 109 Sq.miles) to be excluded from the scope of the special license may be sent early. A copy of this office (letter No. D.4840/Geol.48-33-33 dated 8th February 1936 is herewith enclosed for ready reference.

Draft

I have the honour to be,
Sir,
Your most obedient servant,

Sd/ M.V.

Secretary to Government,
Development Department.

KING & PARTRIDGE.
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S

TELEPHONE NO. 3911. (2 LINES)
POST BOX NO. 121.

High Court Buildings,
Madras.

Geol 48-33-43

4th April 1936

4683

6 APR. 1936

DEVELOPMENT BRANCH

From
Messrs. King & Partridge,
Solicitors,
High Court House,
Madras.

To
The Secretary to the Government of His Highness
the Maharaja of Mysore,
Development Department,
General & Revenue Secretariat,
BANGALORE.

Sir,

Grant of Special Prospecting Licence
for Gold & Silver to Indian Mines
Development Syndicate Ltd.

We are duly in receipt of your letter No.D/6005/Geol. 48-33-43 of the 1st instant with its enclosed list and note contents on which we have cabled our clients for confirmation of our action in agreeing that the inam villages mentioned in the list should also be excluded from the scope of the Special Prospecting Licence.

Subject to such confirmation, please alter the words "twenty-nine thousand two hundred and fifty eight" in clause 1 to "twenty-nine thousand two hundred and seventeen". Schedule A will then read as follows:-

"Schedule A

SCHEDULE A

LAND COMPRISED IN THIS LICENCE:

The whole of the State of Mysore with the exceptions of (1) that portion known as the Kolar Gold Field which means all areas in respect of which leases have been granted to The Mysore Gold Mining Company Limited, Ooregum Gold Mining Company of India Limited, Champion Reef Gold Mines of India Limited and Nundydroog Mines Limited, (2) the lands covered by the mining lease granted to the late Hajee Sir Ismail Sait, (3) the area comprising the Sringeri Jagir in Kadur District and all inam lands endowed to the Sri Sringeri Mutt and (4) the undernoted inam lands; the said items (1) to (4) covering in all an area of one hundred and nine square miles be the same a little more or less.

ADDITIONAL INAM VILLAGES POSSESSING MINERAL RIGHTS REFERRED TO IN (4) ABOVE.

	Taluk.	Village.		Extent. Acres.	Guntas.
1.	Mysore	Kallahalli	S.M.	1,562	4
2.		Madduru	S.M.	2,079	27
3.		Mandanahalli	S.M.	560	10
4.	Krishnarajapet.	Hariharapura	S.M.	996	33
5.	Malavalli	Veerarajapura	S.M.	545	..
6.		Doddamalagodu	S.M.	1,075	24
7.		Hegguru	S.M.	2,080	12
8.	T.Narasipura	Hunasanhalli	S.M.	818	37
9.		Seehalli	S.M.	1,891	21
10.		Maragowdanahalli.	S.M.	663	1
11.		Menasikyatanahalli.	S.M.	1,879	25

	Taluk	Village		Extent. Acres.	Guntas
12.	Seringapatam.	Pattasomanahalli.	S.M.	559	21
13.		Mahadevapura	S.M.	3,120	..
14.	Nanjangud.	Tummanerlu.	S.M.	1,572	36
15.		Kanenuru	S.M.	2,351	30
16.		Hatwalu	S.M.	919	8
17.	Bowringpet.	Vadandahalli	S.M.	501	15
18.		Tukkal.	S.M.	863	39
19.	Closepet.	Vurugahalli.	S.M.	2,197	22
			Total	26,239	5 or
			about 41 Sq. Miles."		

We now enclose a fresh engrossment of the Special Prospecting Licence thus altered, authenticated by the initials of our Mr. Small on each page and await Government's approval and an early date being fixed for execution thereof at Bangalore

HMS/MSN

We have the honour to be
Sir,
Your obedient servants,

King & Partridge

M. G. D. 12.] GOVERNMENT OF MYSORE

Telegraphic Address:—"GEOL." MYSORE GEOLOGICAL DEPARTMENT,

No. 9203-24.
Encl: 1 map.

Bangalore, ...4th.... April ....1936.

GEN. & REV. SECRETARIAT
6 APR. 1936
DEVT.

FROM B. RAMA RAO, ESQ., M.A., D.I.C., F.G.S.,
Director of Geology in Mysore,
Bangalore.

To M.Venkatanaranappa, Esq., B.A.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Development Department,
B a n g a l o r e.

SIR,

In compliance with your letter No.D.6007/Geol. 8-33-44 dated 1st April 1936, I have the honour to forward herewith a map of the State, in duplicate, showing the location and boundaries of the areas about 09 sq. miles in extent, to be excluded from the scope of the special license under grant to the Indian Mines Development Syndicate Ltd.

I have the honour to be,
Sir,
Your most obedient servant,

B Rama Rao

D i r e c t o r,
Mysore Geological Department

Ps.4/4

KING & PARTRIDGE.
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S

TELEPHONE NO. 3911. (2 LINES)
POST BOX NO. 121.

High Court Buildings,

Madras.

4/0 4th April 19 36

GEN. & REV. SECRETARIAT
8 APR. 1936
REVE

fol 48-33-41

From Messrs. King & Partridge,
Solicitors,
High Court House, Madras.

To The Government of His Highness The Maharajah of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

Sir,

Grant of Special Prospecting Licence for gold and silver to the Indian Mines Development Syndicate Ltd.

In continuation of our letter of the 4th instant we may say that we have now received cabled intimation from our clients that they confirm our action in agreeing that the Inam villages referred to in the first paragraph of our said letter of the 4th instant should also be excluded from the scope of the special prospecting licence.

We have the honour to be,
Sir,
Your obedient servants,

King & Partridge

HMS/MRV

Appendix F G—1]

Two drops — 2 2 copies

SUBJECT ..... Grant of a special prospecting licence for gold & silver to the Indian Mines Development Syndicate — Ltd

Section Geol
File No. 48-33
Serial No. 48

Diary No. of letter replied to .....

No. D 6299 Public Works.

To The Dist Geologist

Sir

General and Revenue Secretariat

( )

the 193 .

In continuation of
my No. D 6255-70 dated 16/4/36
Geol 87-35-2
forwarding the grant of a special prospecting licence to reopen & work
I am directed to forward herewith
a copy of letter dated 4/4/36
from Messrs King & Partridge,
Solicitors, Madras as a copy of
~~Govt Order~~ ~~letter No D~~ the reply thereto and to
~~Geol 48-33~~
~~dated ... to them and to~~
~~I am to~~ request that you will be so kind
as to take necessary further
action to let the agreement
~~with the consultation with~~ I herewith enclosed duly
~~the Solicitors with regard to~~
~~the fixing of rent for the~~

Date of issue 20/4/36

OK:S

Signed by .....

List of enclosures .....

Copied by .....

Examined by .....

~~the engrossment (and the letter)~~ ~~document~~ document ~~[being engrossed]~~ &

~~signed~~ signed at Boreham. A date for this purpose may be fixed ~~by~~ in consultation with the Solicitors

Yours
7/4

Derby

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 11th April 1936.

No. D 6299/Genl

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

The Director of Geology in Mysore,
Bangalore.

Sir,

Subject:- Grant of a special prospecting license for Gold and Silver to the Indian Mines Development Syndicate Ltd.,

In continuation of Government Order No. D 6255-70/Genl-35-2 dated 16/4/36 sanctioning the grant of a special prospecting license referred to above, I am directed to forward herewith a copy of letter dated 4.4.1936 from Messrs. King & Partridge, Solicitors, Madras, and a copy of the reply thereto and to request you to take necessary further action to get the agreement herewith enclosed duly executed and registered at Bangalore. A date for this purpose may be fixed in consultation with the Solicitors.

I have the honour to be,
Sir,
Your most obedient servant,

For Secretary to Government,
Development Department.

K.M.R.3.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 11th April 1936.

No. D 6299/Rev

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

The Director of Geology in Mysore,
Bangalore.

Sir,

Subject:- Grant of a special prospecting license for Gold and Silver to the Indian Mines Development Syndicate Ltd.,

---

In continuation of Government Order No. D 6255-70/Rev-35-2 dated 16/4/36 sanctioning the grant of a special prospecting license referred to above, I am directed to forward herewith a copy of letter dated 4.4.1936 from Messrs. King & Partridge, Solicitors, Madras, and a copy of the reply thereto and to request you to take necessary further action to get the agreement herewith enclosed duly executed and registered at Bangalore. A date for this purpose may be fixed in consultation with the Solicitors.

I have the honour to be,
Sir,
Your most obedient servant,

For Secretary to Government,
Development Department.

K.M.R.3.

Two drafts & 3 copies

Appendix F G—1]

SUBJECT: Grant of a special prospecting licence for Gold & silver to the Indian Mines Development Syndicate Ltd.

Section Gol
File No. 48-33
Serial No. 49

Diary No. of letter replied to.....

No. D 6298 Gol one cop

To Messrs Kemp & Partridge
Solicitors
High Court House,
Madras

General and Revenue Secretariat

( )

the *193*

Date of issue 20/6/36

Signed by O.C.S.

Gentlemen

With reg to Correspondence ending with your letter dated 4/4/36 on the above subject, I am directed to state that H.E. the final approve of the draft of the special Prospecting licence sent with your letter under reference. Necessary instructions have been issued to the Dir of Geology & Mining to take necessary action with

List of enclosures.....

Copied by .....

Examined by.....

regard to the posting of a deed for the execution & registration of the documents ~~which are available~~ are in force. I am therefore to request that further communications in the matter may be kindly be made to the above officer.

As desired by your clients in their letter of 24/2/36 from London, a map of the State showing the location & boundaries of the areas about 109 sq. miles in extent to be excluded from the scope of the special licence is herewith ~~enclosed~~ sent. ~~This may be kindly annexed to be sent to them.~~

Y. faithfully

NW.

Done 7/4 Dep Sy Sr

Mem No

with a copy of letter d 4/4/36 from the Solicitor

copy to the Dep of

file in Continuation of T.O. No - - -

dated - - - The Dep of He is requested to take necessary action in the matter. #

G. R. S. App. F. G. 3.

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

may also be intimated q a date on which the documents to be presented & received at Bangalore

B. O

pml 7/4 Dr Secy

WD 0186—GPR—15,000—6 9-34

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 11th April 1936

No. D 6298/36-20

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

Messrs. King & Partridge,
Solicitors, High Court House, MADRAS.

Subject:- Grant of a special prospecting license for Gold and Silver to the Indian Mines Development Syndicate Ltd.,

Sir

Gentlemen.

With reference to correspondence ending with your letter dated 4th April 1936, on the above subject, I am directed to state that His Highness' Government approve of the final draft of the Special Prospecting License sent with your letter under reference. Instructions have been issued to the Director of Geology in Mysore to take necessary action with regard to the fixing of a date for the execution and registration of the document. I am therefore to request that further communications in the matter may kindly be made to the above officer.

As desired by your clients in their letter of 24th February 1936 from London, a map of the State showing the location and boundaries of the areas about 109 Square Miles in extent to be excluded from the scope of the special license is herewith sent.

Yours faithfully,

for Secretary to Government,
Development Department.

K.M.R.3.

KING & PARTRIDGE
SOLICITORS, NOTARIES
AND
COMMISSIONERS FOR OATHS

MADRAS AND OOTACAMUND.

PARTNERS
WILFRID HAZELL SELL.
HUGH JOHN MAITLAND JONES.
HERBERT McDOUALL SMALL.

TELEGRAMS: "REGAL."
CODES: A.B.C. 5TH & 6TH
BENTLEY'S

TELEPHONE NO. 3911. (2 LINES)
POST BOX NO. 121.

High Court Buildings,
Madras.

Geol 48-33-5m

22nd April 19 36.

4491

GOVT. ARTS. [illegible]
23 APR. 1936
DEVELOPMENT BRANCH

From
Messrs. King & Partridge,
Solicitors & Notaries,
High Court House, Madras.

To
The Secretary to the Government
of H.H.The Maharajah of Mysore,
Development Department,
General & Revenue Secretariat,
Bangalore.

Sir,

Grant of a Special Prospecting License for gold and silver to the Indian Mines Development Syndicate Ltd.

We have the honor to acknowledge receipt of your letter No.D6298/Geol 48-33-49 dated the 11th/20th instant enclosing a map of the State showing the areas to be excluded for which we thank you, and the matter of execution and registration of the special prospecting license will receive our attention.

We have the honor to be,

Sir,

Your obedient servants,

King & Partridge

ARS.